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M I N U T E S

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:35 p.m.

January 10, 1978

FEB 10 1978

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COMMISSIONERS

John F. Henning, Jr., President

Peter McCrea, Vice President

H. Welton Flynn

Joseph P. Byrne

Claire C. Pilcher

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Present: Commissioners John F. Henning, Jr., Peter McCrea,
H. Welton Flynn, Joseph P. Byrne, Claire C. Pilcher

The minutes of the regular meeting of December 27, 1977 were approved.

RESOLUTION
NO.

On motion of Bryne, seconded by Flynn, the following resolution was adopted:

78-0003 G Approving proposed budgets of Bureau of Light, Heat and Power, General Office, PUC, Computer Center, Municipal Railway, Water Department, Hetch Hetchy Project.

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0004 H Rejecting all bids received December 21, 1977, for HH Contract No. 550, West Portal Substation, Install Equipment, and authorizing the readvertising of this work.

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0005 H Approving modification No. 1 in the debit amount of \$2,460.62 to provide funds for additional work under HH Contract No. 454, Moccasin Sewage Treatment Plant.

Vote: Ayes- Henning, Flynn, Bryne, Pilcher

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0006 H Setting March 14, 1978, as date for Public Hearing on grant application for Municipal Railway trolley coach overhead wire reconstruction and replacement and line extensions, inter-connections and new routes.

Vote: Ayes- Henning, Flynn, Bryne, Pilcher

On motion of Flynn, seconded by Bryne, the following resolution was adopted:

78-0007 W Awarding WD Contract No. 1731- Additions to Rock River Lime Treatment Plant in Tuolumne Co. - to Monterey Mechanical Co. of Oakland, Calif., in the amount of \$56,800.

Vote: Ayes- Henning, Flynn, Bryne, Pilcher

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0008 W Extending the ending date of the contract modification of the Resale Customer's Contract with the City of Milpitas previously approved by Resolution No. 77-0456 until the termination of mandatory water rationing by the Commission.

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Bryne, seconded by Flynn, the following resolution was adopted.

- 78-0009 W Approving supplemental appropriation, amount \$173,000 to adequately administer the Mandatory Water Rationing Plan.
- Vote: Ayes- Henning, Flynn, Byrne, Pilcher
- On motion of Pilcher, seconded by Byrne, the following resolution was adopted:
- 78-0010 W Approving supplemental appropriation, amount \$154,176, to provide funds for the Data Processing Center's operational needs.
- Vote: Ayes- Henning, Flynn, Byrne, Pilcher
- On motion of Flynn, seconded by Byrne, the following resolution was adopted:
- 78-0011 W Approving supplemental appropriation, amount \$154,176, to provide funds for the Data Processing Center's requirements to complete 1977-78 fiscal year needs.
- Vote: Ayes- Henning, Flynn, Byrne, Pilcher
- On motion of Pilcher, seconded by Byrne, the following resolution was adopted:
- 78-0012 W Accepting Brown and Caldwell Rate Design and Revenue Requirements Study, and referring the study to the Water Department for its analysis and recommendations.
- Vote: Ayes- Henning, Flynn, Byrne, Pilcher
- On motion of Byrne, seconded by Flynn, the following resolution was adopted:
- 78-0013 W Accepting the bid and authorizing the General Manager of Public Utilities to execute a lease for approximately 30 acres of land in Alameda County to Mission Valley Rock Co., a Nevada corporation, for gravel quarry purposes, for a term of twenty years.
- Vote: Ayes- Henning, Flynn, Byrne, Pilcher
- On motion of Flynn, seconded by Byrne, the following resolution was adopted:
- 78-0014 W Approving collection of Water Department claims for damages against miscellaneous debtors, amount \$829.23, month of December, 1977.
- Vote: Ayes- Henning, Flynn, Byrne, Pilcher
- On motion of Pilcher, seconded by Flynn, the following resolution was adopted:
- 78-0015 M Approving contract documents and authorizing bid call for MR Contract No. 656 for the purchase of Light Rail Vehicle jacking/lifting inserts. Estimated purchase cost, \$13,800. (Transit Improvement Program) Deferred from meeting of November 22, 1977)
- Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0002 M Commending the employees of the Municipal Railway Cable Car Division for sponsoring and catering a Christmas Party for over 200 senior citizens.

Vote: Ayes- Henning, McCrea, Flynn, Byrne, Pilcher

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0016 M Authorizing the Municipal Railway to proceed with the process of selecting a consultant contractor to perform the preliminary phase of the six month Bi-Directional Ferry Transportation Demonstration Project at a cost not to exceed \$4000 and with funds provided entirely by CALTRANS.

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Pilcher, seconded by Byrne, the following resolution was adopted:

- 78-0017 M Approving supplemental appropriation, amount \$205,000 to provide funds from unexpended wage funds for payment of overtime wages.

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0018 M Authorizing the General Manager of Public Utilities to execute an agreement with Sverdrup & Parcel and Associates Inc., Foster Engineering, Inc., a joint venture, in an amount not to exceed \$322,400, to complete Phase I of design work for the Market Street Subway- Muni Track Extension and Turnaround Facilities easterly of Embarcadero Station, subject to the concurrence of the Urban Mass Transportation Administration of the U.S. Department of Transportation. (Transit Improvement Program)

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0019 M Approving write-off of Municipal Railway uncollectible accounts receivable more than 90 days past due, month of November, 1977, amount \$804.18; and approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount \$6,855.60, month of November, 1977.

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Byrne, seconded by Flynn, the following resolution was adopted:

- 78-0020 M Approving payment of claims, amount \$45,946.35, from Municipal Railway revolving fund, month of November, 1977

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0001 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$114,500.

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Flynn, seconded by Byrne, the following resolution was adopted:

78-0021 G Consideration of use of an arbitration clause in City contracts to facilitate settlement of disputes. (Deferred from meeting of November 22, 1977)

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-022 G Amending Resolution 73-0423, which establishes minimum guidelines on affirmative action, to cover all professional services contracts let by this Commission, to provide for minority firm participation, and to allow flexibility in achieving the objectives.

Vote: Ayes- Henning, Flynn, Byrne, Pilcher

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz

Precipitation

Precipitation is now 140 percent of normal at Hetch Hetchy and Cherry Reservoirs. The annual snow depth survey by aerial photo will be made by the State Department of Water Resources on February 1, 1978, or the first clear day thereafter. Staff will hopefully be able to report on the future of rationing on February 14, 1978.

President John F. Henning, Jr. noted that City Hall consumption for December, 1977, has increased 21 percent over the usage in December, 1976. Mr. Kenneth R. Boyd, Water Department General Manager, explained that consumption increased in December because the computer center in the basement was enlarged. Commissioner Claire C. Pilcher stated that City Hall is not making an effort. There are no signs in restrooms, and no memoranda has been issued.

Following further discussion, Mr. Boyd said he would invite Mr. S.M. Tatarian, Director of Public Works, to attend the Commission meeting of January 24, 1978. President Henning requested that a copy of the invitation be sent to each Supervisor, and Commissioner Peter McCrea asked that staff summarize month by month what the consumption has been beginning with the allocation period and going forward.

Lower Crystal Springs Dam

Mr. Wentz distributed to the Commission an executive summary of the consultant's report on Lower Crystal Springs Dam. The report concludes that the dam is safe. It will now be necessary to obtain comments from the State Division of Safety of Dams.

Responding to a question from Commissioner H. Welton Flynn, regarding the consultant's fee, Mr. Boyd stated that while the dam is safe, the road on the top does not meet the high standards needed for a dam. A request for final payment will be made after the State review.

Water Bill Enclosures

Mr. Wentz stated staff would like Commission approval of the policy on water bill enclosures recited in Mr. Boyd's memorandum of December 20, 1977- first priority to PUC Departments; second, to other City departments; and third, to community organizations.

Commissioner Pilcher said her main concern is the Municipal Railway. She hopes that Muni will take advantage of this policy to increase ridership and advise of schedule changes. The Water Department could use enclosures to advise of water saving devices, etc.

President Henning advised that the proposed policy meets with the approval of the Commission.

Cable Car System

Mr. Wentz advised that the Hyde Street line went back into operation this morning. The Powell-Mason cable is on hand and will be installed in several days. The California Street line will be down until January 24, 1978. He gave the Commission leaflets and posters notifying patrons of the shutdown. He explained that leaflets were passed out on the California line by conductors, and posters have been placed on the entire Muni fleet. Key organizations were notified by telephone and letter that the California line is down to allow for construction of a plaza at the end of the line.

Title II Funds

The Board of Supervisors gave a second reading of approval on December 27, 1977, to the Title II Program.

LRV Task Force

The Board of Supervisors has put this matter over another week. Staff will send a letter to all Board members.

UTDC

The Finance Committee has put this matter over to January 25, 1978, in order for UTDC to prepare additional written confirmation.

The Finance Committee approved a compromise authorization to hire 20 temporary employees to enable Muni to retain the staff now employed under the Title II program.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner Pilcher requested updated figures on the cable car extension. She also asked what is being done in terms of requiring some effort on the part of the merchants in that area.

President Henning instructed that a status report be filed with the Commission by January 24, 1978.

Mr. Wentz stated that cost estimates are still valid.

Commissioner Pilcher stated she was impressed with the cable car employees who prepared and served a luncheon for senior citizens. She said she was disappointed in news media coverage--that it is unfortunate that the public is not aware of what these employees are doing on their own time and at their own expense.

Commissioner Flynn introduced Mr. Oscar Norman, Superintendent of the Cable Car Division.

President Henning instructed that item 21, commending employees of Municipal Railway Cable Car Division for catering a recent Christmas luncheon party for over 200 senior citizens, be taken out of order.

Mr. Curtis E. Green, Municipal Railway General Manager, said the Christmas luncheon was sponsored entirely by the employees. Mr. Norman introduced Mr. Michael Huston, Mr. Sam McDaniel and Mr. Willie Richardson. Mr. Richardson, who originated the luncheon idea three years ago, did much of the cooking and carving the turkey. Mr. Richardson is now retired.

Mr. Wentz explained that he wished the entire crew could be present, but they were needed to keep the system running.

Mr. Green thanked Commissioner Pilcher and Mr. Wentz, who were at the luncheon.

Mr. Wentz said the luncheon was held at the Chinese Community Center across from the Cable Car Barn, and there were attendees from senior centers throughout the City.

Mr. Lawrence B. Martin, President, TWU Local 250, explained that Muni employees conduct 7 or 8 similar events throughout the City.

PUBLIC HEARING: Budget Proposals for the fiscal year 1978-79 of all Departments under the jurisdiction of the Public Utilities Commission.

Proposed Budget 1978-79

Bureau of Light, Heat & Power	\$20,512,709
General Office, Public Utilities Commission	863,523
Computer Center	1,620,311
Municipal Railway	99,578,862
Water Department	33,159,248
Hetch Hetchy Project	59,659,083

Total: \$215,393,736

Mr. Wentz stated the proposed school reorganization plan may have an impact on the amount of electricity to be used. Also, there are changes possible in the Computer Center budget based on the assumption that a new computer will be obtained. The new computer would make possible a reduction of \$166,000.

Each of the department managers then discussed his budget, and answered questions from members of the Commission.

Mr. Curtis E. Green stated the proposed Muni budget for 1978-79 totals \$99,631,930 compared with the 1977-78 budget of \$84,901,984. He said Muni wishes to produce an adequate level of service, and the budget is based on definite goals. The primary goal is to improve dependability of service through improved operator morale, improved scheduling, and expanded and improved operator training.

No future wage adjustments are included. No funding is included for the Muni Metro operation, as information is not yet precise enough. Funds from AB 1107 are not included, as present information does not permit such allocation. Fare discounts are \$6,750,000, due to school children and senior citizens riding for 5¢. If fare discounts could be decreased it would affect Muni's eligibility for AB 1107 funds. Mr. Green said funds are not included for restoration of 50 runs which were cut two years ago.

Mr. Wentz stated that when wage adjustments have been made it is anticipated the budget will be increased, and a supplemental appropriation will be submitted for Muni Metro.

Mr. Green said there is a request for 54 new employments during the fiscal year. Using a chart, Mr. Green indicated that 86 percent of the 1978-79 budget is for salaries and fringe benefits, leaving 14 percent available for discretionary review. He said that ad valorem taxes represent a smaller percentage of this year's recommended budget than last year.

Muni is projecting a \$2-1/2 million increase in passenger fares, as more people are riding Muni and revenue is up.

Mr. George M. Duarte, Deputy General Manager, Engineering and Planning, stated that the majority of new employments for his division will be for equipment maintenance. Also, there will be increased supervision for increased productivity. It is assumed the 55 positions under the UDTIC study will be on board and that Title II and CETA positions will remain at the same level.

Mr. Rod Bartholomew, Acting General Manager, Operations and Administration, said the Muni motto is Safety, Service and Courtesy. He said his division is asking for five primary employments as follows: an instructor, as at the present time there are 12 instructors for 1862 operators; a schedule coordinator to create and improve schedules; a division superintendent, as now there are 6 divisions and 5 superintendents; a claims investigator in the hope of reducing accidents by 10 percent; and a statistician.

President Henning opened the meeting to the public.

Paula Henning of the Muni Coalition, said she hopes the Commission will do everything possible in order that Muni may qualify for the AB 1107 sales tax money, perhaps using an accounting method by which Muni can be given credit for fare

discounts. She said the proposed new transit information clerk would be very helpful with neighborhood groups. She asked when the run cuts will be put back. Also, she said it is hoped there will be enough drivers to operate the buses that are available. On driver-passenger relationship, she spoke to the problem of getting more information to passengers, especially when a bus breaks down.

President Henning instructed that the matter of driver identification be placed on the calendar of January 24, 1978, so that credit can be given to those doing a good job.

Ms. Henning said her organization hoped the transit first program will be implemented to improve traffic problems.

Mr. John Elberling of CAP-Trans stated that \$6.65 million in Muni's budget is for growth in salaries and fringe benefits in old employments. He spoke to requested new employments in the proposed Muni budget. A copy of his remarks is attached and made a part of this record.

Mr. M.H. Klebolt asked how many of the 695,000 daily riders are transfers versus cash fares. Mr. Tom Matoff of the Municipal Railway Planning Division stated there are 490,000 cash fares. Mr. Klebolt also asked why the data collecting system on the Keene fare box was not being used. President Henning replied that it costs too much money.

Mr. Lawrence B. Martin, President, TWU Local 250A, spoke for the union. A copy of his remarks in letter form, as well as a copy of Mr. Green's answer to the letter, are made a part of the record and attached hereto. Mr. Martin also recommended that locker box restroom facilities be installed with a key for operators.

Commissioner Pilcher said some women drivers have no restroom facilities at all.

Commissioner McCrea asked that Mr. Martin and Mr. Green each designate an employee to negotiate facilities to solve this problem.

President Henning instructed that a status report on operator restroom facilities be placed on the agenda for the meeting of January 24, 1978.

Mr. Martin stated that the payroll clerks who are to be deleted are necessary as there are payroll problems every pay day.

Mr. John Holt of SPUR said platform employees are needed, and recommended that maintenance forces be augmented. He said SPUR has a number of questions to address to Muni. After that, he said the SPUR Board will consider its endorsement of the budget and make presentations before the Mayor and the Board of Supervisors. On the matter of maintenance, clerical and supervisory employments as well as maintenance people themselves are needed. He said reconstruction and replacement items commonly are deferred, and it is poor practice to continue a deferral policy.

At 5:12 p.m. President Henning recessed the meeting, which was reconvened at 5:32 p.m.

[illegible]

Following further discussion among Commissioners and staff, the following actions were taken.

Commissioner Flynn moved, and Commissioner Pilcher seconded that \$100,000 be added to the safety and training program. All Commissioners voted "aye".

Commissioner McCrea moved, Commissioner Flynn seconded, and the Commission unanimously voted to subtract \$500,000 from Claims.

Commissioner Byrne moved, Commissioner McCrea seconded, and the Commission unanimously voted to add \$50,000 to contractual services for restroom facilities.

Commissioner McCrea moved, Commissioner Flynn seconded, and the Commission unanimously voted to add \$100,000 in contractual services for public service.

Commissioner Byrne moved, Commissioner Pilcher seconded, and the Commission unanimously voted to approve the Municipal Railway budget as revised and amended.

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Mr. Kenneth R. Boyd, Water Department General Manager, discussed water sales. He said the past year reflected a 20 percent increase in the cost of water and service charges. One million was transferred to Hetch Hetchy. Twenty million represented 75 percent of water sales. The Commission earlier voted a 10 percent across the board increase in the price of water. Mr. Boyd stated the present budget is based on the assumption that precipitation will return to normal.

Last year approximately \$7 million was cut from the Water Department budget because of the drought. The Water Department proposes that about \$4-1/2 million in capital expenditures be deferred no longer. Six percent of the 1978-79 budget is to offset inflation. No new employments are requested.

There were no questions from the public.

On motion of Commissioner Pilcher, seconded by Commissioner Byrne, the Commission voted unanimously to approve the Water Department budget.

Commissioner Peter McCrea left at 6:15 p.m.

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Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power stated that \$4.7 million is invested during this year by Hetch Hetchy in the Municipal Railway. The value of discounted power furnished City Departments will be around \$6 million in 1978-79. Although Hetch Hetchy will not be able to contribute to the general fund, a contribution of about \$10 million is being made to the City in the form of services.

There were no questions from the public.

On motion of Commissioner Byrne, seconded by Commissioner Pilcher, the Commission voted unanimously to approve the budget of Hetch Hetchy.

On motion of Commissioner Pilcher, seconded by Commissioner Flynn, the Commission voted unanimously to approve the budget of the Bureau of Light, Heat and Power.

Following the completion of the investigation, the results of the investigation will be reported to the appropriate authorities. The investigation was conducted in accordance with the provisions of the relevant laws and regulations. The investigation was conducted in a thorough and impartial manner, and the results of the investigation will be reported to the appropriate authorities. The investigation was conducted in accordance with the provisions of the relevant laws and regulations. The investigation was conducted in a thorough and impartial manner, and the results of the investigation will be reported to the appropriate authorities.

-11-

The investigation was conducted in accordance with the provisions of the relevant laws and regulations. The investigation was conducted in a thorough and impartial manner, and the results of the investigation will be reported to the appropriate authorities. The investigation was conducted in accordance with the provisions of the relevant laws and regulations. The investigation was conducted in a thorough and impartial manner, and the results of the investigation will be reported to the appropriate authorities.

Investigation Report No. 12345

The investigation was conducted in accordance with the provisions of the relevant laws and regulations. The investigation was conducted in a thorough and impartial manner, and the results of the investigation will be reported to the appropriate authorities. The investigation was conducted in accordance with the provisions of the relevant laws and regulations. The investigation was conducted in a thorough and impartial manner, and the results of the investigation will be reported to the appropriate authorities.

Mr. Wentz stated the General Office budget is increased by \$2,000 to provide for three Commissioners to attend the annual APTA Conference. Commissioner Pilcher said attendance at these conferences is invaluable for the Commissioners to do a better job.

There were no questions from the public.

Commissioner Flynn moved, Commissioner Pilcher seconded, and the Commission unanimously voted to include \$1,000 to be available for recognition of needs that cannot be anticipated.

Commissioner Pilcher moved, Commissioner Flynn seconded, and the Commission unanimously voted to approve the General Office budget as amended.

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Mr. C.D. Collins, Director, Public Utilities Data Processing Center, stated that \$166,000 could be subtracted from the PUC budget because the new computer is now anticipated no later than the end of September. Overall increase from last year is 9 percent.

There were no questions from the public.

On motion of Commissioner Byrne, seconded by Commissioner Flynn, the Commission unanimously voted to approve the PUC budget, and to approve all department budgets as amended. (See attached schedule.)

Resolution 78-0006--Setting March 14, 1978 as date for public hearing on grant application for Municipal Railway trolley coach overhead wire reconstruction and replacement; and line extensions, inter-connections and new routes.

Mr. Wentz requested authorization from the Commission to request change of Market Street overhead wire policy by the Board of Supervisors. This request was granted.

Resolution 78-0018--Authorizing General Manager of Public Utilities to execute an agreement with Sverdrup & Parcel and Associates Inc., Foster Engineering, Inc., a joint venture, in amount not to exceed \$322,400, to complete Phase I of design work for Market Street Subway- Muni Track Extension and Turn-around Facilities easterly of Embarcadero Station, subject to concurrence of UMTA. (TIP)

Commissioner Pilcher stated that Mr. Klebolt wanted to make sure there were break-outs in the new extension. This has to do with Speaker Mills' SB283.

President Henning instructed that a status report on this matter be given at the PUC meeting of January 24, 1978.

Resolution 78-0021--Consideration of use of an arbitration clause in City contracts to facilitate settlement of disputes. (Deferred from meeting of November 22, 1977)

Commissioner Joseph P. Byrne asked if there is anything against non-binding arbitration that has to be approved by the Commission.

President Henning stated there is a Charter provision which prevents this, and there may be advantages to an arbitration clause.

Commissioner Flynn moved, Commissioner Byrne seconded, and the Commission unanimously adopted a resolution urging the Board of Supervisors to initiate a study of the relative advantages and disadvantages of arbitration as a means of settling disputes between contractors and the City and County of San Francisco or its departments for the purpose of introducing an amendment to the Charter to implement the study recommendations.

THEREUPON THE MEETING ADJOURNED: . 6:36 p.m.

Romaine A. Smith
Secretary

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:40 p.m.

FEB 24 1978

January 24, 1978

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COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Welton Flynn
Joseph P. Bryne
Peter McCrea

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call to Order: 2:40 p.m.

Present: Commissioners John F. Henning, Jr., Claire Pilcher,
H. Welton Flynn, Joseph P. Byrne, Peter McCrea

The minutes of the regular meeting of January 10, 1978 were approved.

RESOLUTION
NO.

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0024 W Suspension of mandatory water rationing program effective January 24, 1978.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0025 W Directing Water Department to develop reduced surcharge rates, and setting February 14, 1978 for public hearing on those rates.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0026 H Setting Tuesday, February 14, 1978, at 2:30 p.m., for public hearing of proposed revision of schedule of rates for disposal of Hetch Hetchy power.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Flynn, seconded by Byrne, the following resolution was adopted:

78-0027 H Authorizing bid call for HH Contract No. 549 for Bryant Substation and Power Control Center, construct building and install equipment. Estimated cost, \$915,000. (Power Improvement Program)

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0028 H Authorizing bid call for HH Contract No. 580 for construction of underground duct system in Mission, Bryant, Alameda, 16th, 14th and 8th Streets, and South Van Ness Avenue. Estimated cost, \$466,050. (Power Improvement Program)

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0029 H Awarding HH Contract No. 578, in amount of \$123,185 to L.K. Comstock & Co., Inc., of San Francisco, Calif., for underground power facilities and related work in Ocean, San Jose and Onondaga Avenues. (Power Improvement Program- Transit Improvement Program)

Vote: Ayes_ Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0030 H Approving modification No. 2 in the credit amount of \$1,597.50 under HH Contract No. 548, Taraval Substation, Construct Building and Install Equipment. (Power Improvement Program)

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0031 W Authorizing bid call for WD Contract No. 1739-- Building Repairs, Central Pumping Station, San Francisco, California. Estimated cost of work, \$49,000.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0032 W Requesting the Mayor to recommend to the Board of Supervisors that the position of Principal Civil Engineer, San Francisco Water Department, be filled immediately per the Annual Appropriation Ordinance, Section 10, Subsection 7.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Flynn, seconded by Byrne, the following resolution was adopted:

- 78-0033 W Approving write-off of Water Department uncollectible accounts receivable more than 90 days past due, month of November, 1977, amount \$8,164.53.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Flynn, seconded by Byrne, the following resolution was adopted:

- 78-0034 M Approving plans and specifications and authorizing bid call for MR Contract No. 648 for furnishing and installing UHF radio antenna- subway and tunnels. Estimated cost of work, \$584,000. (Transit Improvement Program)

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0035 M Awarding MR Contract No. 642 in the net amount of \$600,200 to McGuire and Hester, of Oakland, Calif., for track reconstruction, West Portal Avenue- Ulloa Street to St. Francis Circle- M Line. (Transit Improvement Program)

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0036 M Authorizing execution of a professional services agreement with Esherick, Homsey, Dodge and Davis,

Rutherford and Chekene, Architect and Engineer Joint Venture, of San Francisco, Calif., for Phase I- Project Design- Reconstruction of Forest Hill Station. (Transit Improvement Program)

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0037 M Directing the Municipal Railway to provide each operator with a plaque that indicates his cap number and a greeting yet to be determined; and directing the Municipal Railway to take appropriate action to implement this resolution.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0038 M Endorsing a program for 1978-79 for an increase of 18 leased convenience stations and the purchase of five semi-permanent convenience stations, and the employment of a janitorial contract service for the better maintenance of the stations already owned by the Municipal Railway.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0039 M Approving Contract Change Agreements Nos. 17B and 18A in the total debit amount of \$121,671 under SFMRIC Contract MR 617, Motor Coach Storage and Maintenance Facility, Phase II, and requesting SFMRIC to execute change agreements. (Transit Improvement Program)

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Flynn, seconded by Byrne, the following resolution was adopted:

78-0040 M Approving payment of claims, amount \$64,180.69, from Municipal Railway revolving fund, month of December, 1977.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0041 M Approving write-off of Municipal Railway uncollectible accounts receivable more than 90 days past due, month of December, 1977, amount \$764.36; and approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount \$5,988.21, month of December, 1977.

Vote: Ayes- Henning, Pilcher, Flynn, Byrne, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0023 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway total amount \$9,750.

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

President John F. Henning, Jr. welcomed Mayor George R. Moscone. A copy of Mayor Moscone's remarks on water rationing is attached and made a part of these minutes.

The Mayor asked that water rationing be suspended forthwith for San Francisco and all resale customers. He also requested that a voluntary conservation goal for all customers of 85 percent of 1976 usage be set.

He stressed that if a voluntary conservation program of 85 percent is to be successful, it must be made clear that should rationing ever again become part of the pattern of San Francisco, people who conserve water must not be punished for their frugal policy. Mayor Moscone stated he was proud of the sacrificial efforts of the people of San Francisco--in his view unequaled since World War II.

President Henning thanked the Mayor, and stated the Commission joined with him in commending the public for its sacrifice during the past year.

Supervisor John L. Molinari then addressed the Commission, stating he was present as a member of the Board of Supervisors, which entered into a "partnership" with the Commission a year ago when water rationing was put into effect, recognizing that an increase in rates was necessary because of less water being sold. He agreed the people "have done a magnificent job in conservation," and he took the position that the city in effect contracted with the people to return rates to the previous level when the drought ended. He said he has introduced legislation before the Board urging the Mayor to roll back rates to the pre-drought level. He said if more funds are needed to maintain the water system and for the sewer service charge, these items should be addressed separately. If the Water Department needs increased funds to effectuate a roll back of rates to pre-drought levels, he thinks the Commission and the Board of Supervisors should take a look at rates in that context.

Commissioner Claire C. Pilcher asked if Supervisor Molinari would make a commitment not to penalize the Water Department on the budget when it goes before the Board of Supervisors if rates are put to pre-drought levels.

Supervisor Molinari said, "You have my commitment to that effect."

Commissioner McCrea pointed out that the rate increase last year was in two components, and included a surcharge purely to reflect increases necessary due to the drought. He said an appropriate adjustment should be made in the surcharge.

Supervisor Molinari said if the Water Department needs increased rates because of maintenance problems, he would look upon that favorably.

President Henning told Supervisor Molinari, "You have a deal", and thanked him for appearing.

Mr. Wentz gave Commission hydrology reports prepared by Hetch Hetchy Water and Power which indicate that even in the absence of additional precipitation this season, there will be enough water

for two years. Mr. Wentz said a resolution has been prepared which would effectuate the Mayor's proposal.

Bills issued January 25, 1978, would not carry penalties. It has been determined that the Water Department can notify its customers of their 15 percent conservation goal for the entire water year starting in about 45 to 60 days, by means of a special mailer. Mr. Wentz said steps would be taken to terminate deliveries from the Presidio and the State of California.

President Henning suggested suspension of water rationing, reduction of water rates whether surcharge or overall, discontinuance of water from Presidio and State of California, and imposition of a voluntary conservation program of 15 percent.

Commissioner Pilcher moved, Commissioner Flynn seconded, and the Commission voted unanimously to suspend water rationing.

Following discussion among Commissioners and staff, Commissioner Byrne moved, and Commissioner Pilcher seconded that the Commission adopt a principle of voluntary conservation. This motion was unanimously adopted by the Commission.

President Henning instructed that public notice be given that this matter will be on the agenda for a public hearing on February 14, 1978.

Commissioner H. Welton Flynn, said supplemental appropriations were authorized to purchase water. He asked if there would be any savings. Mr. Kenneth R. Boyd, General Manager of the Water Department, indicated some savings were expected which would be returned to the people.

After further discussion among Commission and staff, Commissioner McCrea moved, Commissioner Flynn seconded, and the Commission voted unanimously to reduce the drought surcharge to reflect actual revenue received and projected level of sales, with similar appropriate adjustments to resale customers.

President Henning instructed that February 14, 1978, be set as the date for public hearing on the reduced schedule of rates.

On motion of Commissioner Flynn, seconded by Commissioner Byrne, the Commission unanimously voted to extend the date to February 28, 1978 instead of February 14, 1978 for the Water Department to bring to the Commission their analysis and recommendations of the Brown and Caldwell rate study.

COMMUNICATIONS:

Commissioner Claire C. Pilcher referred to a letter addressed to Curtis E. Green, General Manager, Municipal Railway, from Mary Jo Mangan. This concerned an attack on a bus where the driver was unable or unwilling to respond. Mr. Green advised there has been a response to that letter. President Henning instructed that the Commission receive a report on the matter within the next two weeks.

REPORT OF THE GENERAL MANAGER Mr. John B. Wentz

City Hall Water Use

Mr. Wentz introduced Mr. S.M. Tatarian, Director of Public Works. Mr. Tatarian stated his department has done everything possible to control water use in City Hall. He referred to his letter of August 3, 1977, outlining measures taken, a copy of which is attached and made a part of these minutes.

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Responding to a question from Commissioner Pilcher concerning signs in restrooms, he said these signs have had to be replaced many times because of vandalism and theft. He stated that December consumption increased because of additional EDP equipment, and the increased number of people visiting City Hall. Since January 1, 1978, consumption has dropped steadily.

Commissioner McCrea stated a large amount of water is used for EDP, and asked about recycling this water. Mr. Tatarian replied, consideration is being given to piping it into the fire system. He said installing a pump will be quite an expenditure, and if the need isn't there, it is questionable whether the capital expenditure should be made. It is proposed that the various departments located in City Hall be pro-rated the cost of water service.

Muni Metro System

Mr. Wentz reported that he has arranged for Senator Mills, who is interested in rail transit, to inspect the Muni Metro System on February 24, 1978.

Cable Cars

Because recent heavy rains delayed construction on the Robert M. Frost Plaza contract, the 61-California line will not be back into service until February 1, 1978.

The Powell-Mason line was shut down at 10:20 a.m. January 23, 1978 because of a loose strand. The loose strand has been spliced and the line was put back into operation today at 10:00 a.m. Buses were substituted during the shutdown.

LRV Product Improvement Grant Application

The Board of Supervisors adopted a resolution approving this grant application January 23, 1978.

UTDC

Mr. Wentz distributed to Commissioners copies of a report filed by UTDC. Messrs. Foley and Follet of UTDC will be here January 25, 1978 for the Finance Committee meeting, which will hear this issue.

SB 213

The Finance Committee has calendared a hearing on the applicability of SB 213 to San Francisco. This bill makes possible the application of an additional 1¢ in gas taxes. It would bring \$2.5 million to the Municipal Railway. However, funds would be restricted to planning, construction and maintenance of fixed guideways plus payments of bond interest and vehicle procurement. Capital expenditures for next year are funded from UMTA, TDA, bridge tolls, etc. The real need is in operating expenses. There does not seem to be a need for this additional tax at the moment.

Cable Car Extension

The Finance Committee hearing on the cable car extension has been put over to February. The item in Trolley Topics stating that the Commission is holding a public hearing in January is in error.

Commissioner Pilcher asked what is being done in terms of requiring merchants to cooperate. She said the merchants have indicated they are unwilling to do anything, and one civic group has withdrawn support. Mr. Wentz stated it is not realistic to

expect financial contributions from the merchants.

Commissioner McCrea stated that Commission approval is conditioned on implementation of traffic controls in that area.

Mr. Wentz said delays have been experienced at the Port, and an EIR has yet to clear.

President Henning instructed that the traffic plan for the area be calendared for February 28, 1978 if it is ready by that time.

Commissioner McCrea asked that the proposed traffic plan be mailed to merchants in the area, and that they be advised of the public hearing when it is scheduled.

Mayor's PUC Budget Hearings

Mr. Wentz advised these hearings have been set for February 23, 1978, from 9:00 a.m. to 5:00 p.m., in Room 200.

MBE Program

Mr. Wentz stated that approval has been received from UMTA for a Minority Business Enterprise Program after two years of negotiation.

GSA Compliance Section

Mr. George Newkirk, Contract Compliance Officer, has advised that the PUC is being reviewed by the GSA Compliance Section--triggered by Hetch Hetchy sale of power to Norris Industries (Riverbank Ordinance Plant).

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner McCrea stated there is a resolution under review by MTC which would allow Muni to include discount fares under AB 1107. He asked that Mr. Wentz clarify this with Doris Kahn.

Mr. Wentz replied he would do so, and that he would obtain a written statement. He said this would change the entire approach on fare increases. He said staff is working with Planning Department on an EIR for a fare increase.

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Commissioner Pilcher stated that a letter from Mr. Curtis E. Green dated January 18, 1978, states that 6 temporary runs and 10 permanent runs have been added. However, no operators have been added.

Following discussion among Commission and staff, Commissioner H. Welton Flynn noted there are 10 new permanent runs. He said when a new run is adopted, Muni should indicate where a run was taken off. He requested that Mr. Green report back in two weeks with a status report.

Mr. Lawrence B. Martin, President, TWU Local 250A, said absenteeism is a problem. There is a built-in emergency system for absenteeism in every other transit system in the country. It is not possible to take men off the road for re-training.

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Commissioner Pilcher stated the memorandum from Muni on advertising did not include actual advertising or marketing. She said she preferred outside professional advice. Commissioner McCrea said the memorandum was not responsive to what the Commission wanted.

President Henning instructed that this matter be a formal agenda item at the PUC meeting of February 14, 1978. He said the total for information services in the budget is \$195,000.

ITEM NO. 8--Election of President for the year 1978

Commissioner Flynn stated that President Henning has given freely of his time in serving as President, and has done an outstanding job. On motion of Commissioner Flynn, seconded by Commissioner Byrne (Vice President McCrea presiding), the Commission unanimously elected John F. Henning, Jr. President for the year 1978.

ITEM NO. 9--Election of Vice President for the year 1978

On motion of Commissioner Byrne, seconded by Commissioner McCrea, the Commission unanimously elected Claire C. Pilcher Vice President for the year 1978.

President Henning said he would like to commend Commissioner McCrea for his services as immediate past Vice President.

ITEM NO. 15--Declaring former Hetch Hetchy Railroad right-of-way Parcel Nos. 409 (1), 409 (2), 410, 411 and 412 surplus; and requesting the Director of Property to prepare the necessary legislation for submission to the Board of Supervisors authorizing sale of this surplus property, as shown on Hetchy Water and Power drawing No. A-1452.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power, reported that in 1949 Hetch Hetchy ripped up rails on 56 miles of HH railway from Chinese Camp to Camp Mather. Sixty percent of these rails were on public land, and the balance on city acquired land in 1917 when the railway was constructed. The portion of the right-of-way on public land has reverted to the public. The balance is on HH books. Part of the right-of-way land was sold to the State of California eleven years ago for relocation of State Highway 120, and later part of it was sold to Tuolumne County. A long section was sold to a private owner who wished to keep trespassers off his property. The property traversed by the HH railway runs through Modland Corporation property in isolated sections, and is not a contiguous right-of-way. Hetch Hetchy continues to pay taxes, and is now asking the Purchaser of Supplies to put it up for sale. The Purchaser will set a minimum value and put it out to public bid. The bidder will have to meet the minimum value established.

President Henning state he was concerned about a Levittown in the middle of Tuolumne County.

Commissioner McCrea stated he would like the matter to be publicly noticed to see if Tuolumne County or the Sierra Club see a threat to the environment before the Commission acts.

President Henning instructed that a date be set in Tuolumne County for a public hearing, with written comments to the PUC, and that a status report be made at the Commission meeting of February 14, 1978. He also requested a written statement on what Modland Corporation proposes.

On motion of Commissioner Pilcher, seconded by Commissioner McCrea, the Commission voted unanimously to take this item off calendar.

ITEM NO. 17--Approving and authorizing the execution of a .346 acre lease to Olive Street Partners #18 for purposes of parking and landscaping of certain property under the jurisdiction of the San Francisco Water Department in Santa Clara County for a term of 40 years, at an annual rental of \$756, subject to rental adjustment at the end of each 5-year term, plus payment of taxes and assessments thereon. (Deferred from meeting of December 27, 1977.)

President Henning inquired if the rental adjustment period could be shortened, and Commissioner Pilcher stated \$63 per month is insufficient. President Henning asked if the City could receive a percentage on parking. Commissioner McCrea stated rental could possibly be tied in with revenue.

On motion of Commissioner Pilcher, seconded by Commissioner McCrea, the Commission unanimously voted to put this item over to February 28, 1978.

Resolution No. 78-0034--Approving plans and specifications and authorizing bid call for MR Contract No. 648 for furnishing and installing UHF radio antenna- subway and tunnels. Estimated cost of work, \$584,000. (Transit Improvement Program.)

Responding to a question from Commissioner McCrea, Mr. Rino Bei, Program Manager, Transit Improvement Program, advised this equipment is to be installed in the part of Forest Hill Station which is not to be torn down.

Commissioner McCrea asked about the station being made a part of the Historical Preservation Trust. Mr. Bei replied that if the decision is made to save the station, costs of saving it must be considered. Use of public funds is part of the consideration of the declaration of retaining it for historical purposes.

Commissioner McCrea asked if the equipment would have to be torn out if re-building doesn't go ahead. Mr. Bei stated the present station will be incorporated into the design of the new station if necessary.

Resolution No. 78-0036--Authorizing execution of a professional services agreement with Esherick, Homsey, Dodge and Davis, Rutherford and Chekene, Architect and Engineer Joint Venture, of San Francisco, Calif. for Phase I- Project Design- Reconstruction of Forest Hill Station. (Transit Improvement Program)

Mr. Wentz stated UMTA clearance is anticipated in March, and notice will be given to proceed. By the middle of March it is hoped the historical preservation question will be cleared.

Resolution No. 78-0037--Directing the Municipal Railway to provide each operator with a plaque that indicates his cap number and a greeting yet to be determined; and directing the Municipal Railway to take appropriate action to implement this resolution.

Mr. Curtis E. Green stated Commission had requested that Muni make an effort to identify operators, as due to optional status of headgear the identity of an operator is not always apparent to the riding public. It was decided it would be possible to have a

plaque and a holder for the plaque at the front of the bus where it could be seen. There could also be a printed message, such as, "Operator No. _____ welcomes you aboard". The exact wording is yet to be determined.

Commissioner Pilcher said there should also be added, "If you have commendations or comments regarding the service call No. _____."

Mr. Green said the total cost would be \$8300, and that many transit systems use this method, among them Greyhound.

Commissioner McCrea said he seconded Commissioner Pilcher's view. The message should indicate a phone number to call to compliment or complain about an operator.

President Henning asked about plastic holders with schedules, and Mr. Wentz replied that is a part of the marketing program.

Mr. Lawrence B. Martin of TWU 250A stated the union agreed with the proposal, but the message regarding comments on service should not be on the plaque but should be in a different location in the bus. He said the operator number could be located at the front of the bus.

President Henning requested that Commission be given an update report within a month.

Resolution No. 78-0039--Approving Contract Change Agreement Nos. 17B and 18A in the total debit amount of \$121,671 under SFMRIC Contract No. MR 617, Motor Coach Storage and Maintenance Facility, Phase II, and requesting SFMRIC to execute change agreements. (TIP)

Commissioner Pilcher stated the majority of the items are necessary because of difficulties in the original design. She asked who is responsible for design omissions and oversights.

Mr. Rino Bei replied that the purpose of identification is to establish a record. The consultant may disagree on who should pay. At the end of the job a determination will be made as to whether the City has redress. Any designer has to have flexibility, and can not be 100 percent perfect. A record is established early in the event in case some action should be taken against the consultant. In this case, a record has been established. Total cost of the contract is \$9-1/2 million, and the total change orders are less than 5 percent of the cost.

Mr. Wentz pointed out that design errors are more likely to be collectible than design omissions.

Commissioner McCrea asked if this is the final settlement for the Woods facility. Mr. Bei replied that the contractor has agreed to perform some items about which there is some disagreement on the price. These should be the final change order items, in the amount of \$20,000 to \$30,000, which would close out the account.

Mr. Rino Bei reported that a Charter Amendment is not needed for the Embarcadero turn around. He added that the Recreation and Park Commission has unanimously given permission for the turn around.

Mr. George E. Baglin, Utilities General Counsel, said he would ask Supervisor Robert E. Gonzales to withdraw the proposed amendment.

THEREUPON THE MEETING ADJOURNED: 4:56 p.m.

ROMAINE A. SMITH
Secretary

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

MAR 10 1978

Room 282, City Hall

DOCUMENTS DEPT.
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2:35 P.M.

February 14, 1978

COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Welton Flynn
Joseph P. Byrne
Peter McCrea

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
COMPUTER CENTER

John B. Wentz
GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith
SECRETARY

Present: Commissioners John F. Henning, Jr., Claire Pilcher,
Peter McCrea

Commissioner H. Welton Flynn arrived at 3 p.m.

Absent: Commissioner Joseph P. Byrne

The minutes of the regular meeting of January 24, 1978 were approved

RESOLUTION

NO.

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0043 M Appointing President John F. Henning, Jr., to the Board of Control for handicapped and elderly.

Vote: Ayes-Henning, Pilcher, McCrea

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0044 W Approving a reduction of the surcharge imposed on Water Rates due to drought conditions.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0045 W Approving a voluntary water conservation program and establishing the level of such a program.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0046 H Approving revision of schedule of rates for furnishing Hetch Hetchy power to private consumers and Municipal Departments.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0047 H Approving Department of Public Works proposal for construction of new street lighting on Lombard Street from Van Ness Avenue to Richardson Avenue, and on Richardson Avenue from Broderick Street to Baker Street.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0048 H Authorizing bid call for HH Contract No. 533 for J Line Streetcar Overhead System Conversion for Pantograph Operation. Estimated cost, \$517,000. (Power Improvement Program/ Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0049 H Awarding HH Contract No. 550R, in amount of \$220,033 to Emil J. Weber Electric Co., San Francisco, Calif., for installation of equipment, West Portal Substation. (Power Improvement Program).

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0050 H Accepting as satisfactorily completed work under HH Contract No. 559, Howard and Folsom Streets, Eleventh Street to Main Street, Underground Duct System; approving debit modification of \$19,260.66; and authorizing final payment of \$93,383.75 to McGuire and Hester, Contractor. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0051 H Accepting as satisfactorily completed work under HH Contract No. 555, Red Mountain Bar Surge Shaft Cover; and authorizing final payment of \$4,359.20 to National Bridge Co., Contractor.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0052 H Accepting as satisfactorily completed work under HH Contract No. 562, Fulton and McAllister Streets, 8th Avenue to Divisadero Street, Underground Duct System; approving credit modification of \$29,235.37; and authorizing final payment of \$30,049.51 to Amalgamated Superior Engineering, Inc., Contractor. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0053 H Approving supplemental appropriation, amount \$62,511, to provide funds for the second and final installment of real estate taxes for fiscal year 1977-1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0054 H Setting notice of public hearing for disposal of surplus land; and proposal of Modland Corporation regarding use of Hetch Hetchy Railroad right-of-way parcels Nos. 406 (1), 409 (2), 410, 411 and 412 in Tuolumne County.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0055 W Resolution commending Julian L. Bardoff upon the occasion of his retirement from the San Francisco Water Department after more than thirty years of service for the Public Utilities of San Francisco.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea
- On motion of Pilcher, seconded by Flynn, the following resolution was adopted:
- 78-0056 W Authorizing rejection of all bids received February 2, 1978, under specification WD-1743-Cement Mortar Lining of 4800 feet of pipe in Potrero, Alemany, Bayshore and other streets.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea
- On motion of Flynn, seconded by Pilcher, the following resolution was adopted:
- 78-0057 W Accepting as satisfactorily completed WD Contract PS-134, for Design, Plans and Specifications and Costs Estimated for Proposed Balancing Reservoir; approving credit modification of \$15,393.27; and authorizing final payment of \$390.57 to Brown and Caldwell, Consulting Engineers.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea
- On motion of Pilcher, seconded by McCrea, the following resolution was adopted:
- 78-0058 W Authorizing the General Manager of Public Utilities to execute an agreement amending the original agreement between the San Francisco Water Department and other public agencies in connection with the transfer of water from the Metropolitan Water District to the Marin Municipal Water District to extend the termination date to May 1, 1978; provide for Marin Municipal Water District to share in evaporation losses and delay removal of water transfer facilities at San Antonio Reservoir until May 1, 1979.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea
- On motion of Pilcher, seconded by McCrea, the following resolution was adopted:
- 78-0059 W Approving issuance of revocable permits to individuals and organizations for the keeping of beehives on watershed properties in accordance with recommendations in consultant's report, "Recommendations for Beekeeping Activities in Crystal Spring Valley Watershed District of San Francisco Water Department" as amended by Department's memorandum, "Beekeeping on Water Department Properties" dated 1/26/78.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea
- On motion of McCrea, seconded by Flynn, the following resolution was adopted:
- 78-0060 W Approving collection, month of January, 1978, of claims for damages against miscellaneous debtors in the amount of \$1,614.69.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea

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On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0061 M Authorizing the General Manager of Public Utilities to communicate with the Chairman of the Board of Supervisors' Legislative and Personnel Committee requesting that the proposed amendment of Section 7.403 of the Charter be tabled by the Committee and that it not be placed on the June 6, 1978, ballot. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0062 M Authorizing purchase of 7 equipment items in the estimated amount of \$190,000, and requesting the Purchaser of Supplies to solicit bids therefor, under MR Contract No. 609- Muni Metro Rail Center. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0063 M Approving modification No. 1 in the debit amount of \$3,900 to provide for reconditioning of one set of portable crossovers under MR Contract No. 647- J Church Line, track reconstruction, 22nd Street to 30th Street. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0064 M Authorizing the General Manager of Public Utilities to execute a professional services agreement with the firm of Sverdrup & Parcel & Associates, Inc., Foster Engineering, Inc., a Joint Venture, to complete Phase I relative to the design work of the Market St. Subway- Muni Track Extension and Turn-around Facilities easterly of Embarcadero Station, subject to concurrence of the Urban Mass Transportation Administration of the U.S. Dept. of Transportation, in a maximum amount of \$322,400. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0065 M Accepting as satisfactorily completed MR Contract No. 613 for N-Judah Line- Track Reconstruction and Sewer Enlargement Carl and Cole Streets to Irving Street and 9th Avenue; approving debit modification in the amount of \$57,149.74; authorizing final payment of \$116,485.44 to Homer-J. Olsen, Inc., contractor, and approving execution of agreement of non-prejudice regarding contractor's claim for damages due to alleged delays. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0066 M Authorizing an amendment to the Professional Services Agreement with Fay Associates to provide additional technical services in connection with the extension and modification of existing electrical facilities in the Muni Metro stations, total payment to Consultant for work performed under this amendment not to exceed \$173,567, subject to the concurrence of the Urban Mass Transportation Administration of the U.S. Department of Transportation. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0067 M Authorizing the General Manager of Public Utilities to enter into a contract for the purchase and resale at discount to City and County residents certain multi-ride commuter tickets on Southern Pacific Railroad trains.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0068 M Approving travel expenses of Deputy City Attorney Donald Negi in the amount of \$1,047.48 for expenses to travel to Cardiff, Wales to take deposition in the case of Kathleen J. Collings V. City & County of San Francisco.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

78-0069 M Approving grant application, pursuant to SB 1879, and requesting the San Francisco Board of Supervisors to authorize Commission, acting through the General Manager of Public Utilities, to execute and file said grant application with CALTRANS, and to accept grants in aid to fund the engineering, planning and design of a waterfront rail link between the Muni Metro Subway at the foot of Market Street and the Southern Pacific Depot at Fourth and Townsend Sts.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0070 M Authorizing creation of a Citizens Advisory Committee to Cable Car Rehabilitation to consist of five qualified and interested citizens appointed by the Public Utilities Commission, one cable car employee appointed by the General Manager of the Municipal Railway, and the cable car Division Manager; said Committee to work with and report to the General Manager of the Municipal Railway, who shall refer to the Commission those matters requiring policy determination.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0042 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$172,414.10

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0071 GO Approving policy statement to be issued by the President of the Commission stating a commitment to promoting Minority Business involvement in all PUC contracts.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0072 GO Accepting UMTA funding of the San Francisco Public Utilities Commission Minority Business Enterprise Program (MBEP), and requesting the Mayor and the Board of Supervisors to approve acceptance of the grant, and directing the General Manager of Public Utilities to execute the required documents.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0073 GO Approving the Public Utilities portion of the City's Affirmative Action Program as prepared and reviewed by the Employment Contracts Compliance Office, and urging its immediate implementation.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

- 78-0074 GO Approving the amount of \$12,202,956 as reasonable annual depreciation expense for fiscal year 1976-77 of the utilities under the jurisdiction of the Public Utilities Commission, per Charter Section 6.407 (c).

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0075 GO Endorsing the comments from the Water Department, the Municipal Railway, and the Transportation Policy Group on the draft environmental management plan for the San Francisco Bay Area prepared by the Association of Bay Area Governments (ABAG).

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz

Water Conservation

Mr. Wentz distributed copies of the January water conservation report to the Commission, and said the reports will continue in view of the interest in conservation. In the two weeks following termination of mandatory rationing, water was being conserved at a greater rate (37 percent) than during rationing.

Cable Car Extension

Mr. Wentz reported that the Finance Committee of the Board of Supervisors did not actually conduct a hearing on public support, since the Commission must hear the matter in accordance with UMTA standards. The Committee did urge that the Commission conduct the UMTA hearing as soon as possible, and suggested May 23, 1978. It was suggested that the Commission submit proposed traffic changes to the Board of Supervisors within 45 days. Traffic plan alternatives are in the final stages of preparation and will be reviewed by the Commission staff with the Fisherman's Wharf Association soon.

Golden Gate Transit

The Commission approved a letter to Supervisor Dianne Feinstein from Curtis E. Green, General Manager, Municipal Railway, stating that suburban buses should not stop on Market Street to pick up passengers because of heavy congestion on Market Street.

Added Muni Runs

Mr. Wentz stated added runs will be offset by manpower adjustments on other runs.

Commissioner Peter McCrea said manpower adjustments were made after the fact, and that in the future added runs and manpower adjustments should be coincidental.

Operator Identification

Mr. Wentz showed the Commission a mock up of an operator identification sign in red and white. He said a removable plastic or metal insert number would be provided to each operator. The Commission approved the concept and text but concluded the color should be black letters on white and the number sign (#) should be added to the left of the operator number insert.

Board of Control for Handicapped and Elderly

Mr. Wentz reminded Commission there are to be two Commission members on the Board of Control, and at the moment there is only one.

Following comments by Mr. Wentz and on motion of Commissioner Pilcher, seconded by Commissioner McCrea, the Commission voted unanimously to appoint President Henning a member of the Board of Control for the Handicapped and Elderly.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner McCrea noted there was a comment in the TIP report that staff is still working on the U.S. Steel project. He said he thought the purchase of the U.S. Steel property had been scrapped in the five-year capital improvements plan.

Mr. Wentz stated the U.S. Steel project has not been killed because the five-year capital improvement program has not been reviewed by the Commission. Following discussion among staff and Commission, a special meeting to hear the capital improvement program was set for March 7, 1978, at 2:00 p.m.

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Commissioner Pilcher stated she has received calls from people who have attended Municipal Railway meetings on the POM study. She said presentations are not being geared to particular neighborhoods, and suggested that presentations eliminate some of the theory and be shortened.

Resolution No. 78-0044--Public Hearing to consider a reduction of the surcharge imposed on water rates due to drought conditions.

Mr. Kenneth R. Boyd, General Manager, San Francisco Water Department, stated the Water Department anticipates a 15 percent reduction in water consumption for the balance of the fiscal year as compared to the last predrought year. He demonstrated that by March 1, 1978, the Department should have collected approximately \$20,000,000. Projected actual sales to March 1, 1978, are in the amount of \$17,650,000, plus an additional \$1 million in penalties. The balance of revenue needed is being absorbed by the use of unappropriated funds. Beginning March 1, 1978, at an 85 percent conservation rate, income will finally total approximately \$31,000,000 for the year resulting in \$1,311,147 of non-essential revenue for this year's budget. This money will be returned to the customers. The Water Department is recommending that rates be reduced by 12 percent across the board. Resale customers would receive the same reduction. Within San Francisco there would be a 4.8¢ reduction per unit of water. The new rate would be 40.5¢ per unit instead of the present rate of 45.3¢ per unit.

President Henning opened the meeting to the public.

Mr. Arthur S. Hecht, representing the Senior Community Advisory Council and the Commission on Aging, read a statement, copy of which is attached and made a part of these minutes.

President Henning announced that on February 28, 1978, a date will be set for a public hearing to consider water rates for 1978-79.'

Mr. Michael Dobosh, 2316-33rd Avenue, stated he thinks it is unfair to increase sewer service charges on the basis of increased water usage. He thinks the two charges should be separate.

President Henning stated the sewer service charge is under the jurisdiction of the Department of Public Works, and determination of that charge is a function of the Board of Supervisors. The Water Department collects the sewer service charge as an accommodation to the Department of Public Works.

Commissioner McCrea suggested that Mr. Dobosh contact Supervisor Quentin L. Kopp, his district supervisor.

Resolution No. 78-0045--Public Hearing to consider a voluntary water conservation program and establishing the level of such a program.

Mr. Boyd stated at the time mandatory water conservation was suspended Mayor Moscone indicated that steps should be taken to encourage continued conservation on a voluntary basis. The Water Department's budget anticipates continued conservation of 15 percent. There was a suggestion from the Mayor's office that a goal be established on each individual water bill. At least three full time employees would be needed to monitor such a program, and it would require \$25,000 for computer programming work from an outside contractor. Also, it would take 3 to 4 months to establish individual goals, which would themselves be constantly changing because of customer turnover. Mr. Boyd said the Department is offering a program in which inserts would be mailed to all customers on a continuing basis with bills. Special programs will be aimed at commercial users. Mr. Boyd suggested a new rule dealing with the amount of time needed to make repairs and obtain a rebate. He also suggested a rule on limitation of service for industrial users to insure that water used for cooling computers, car washing, etc. be recirculated.

Commissioner McCrea stated that whatever method is adopted as a voluntary program, if in the future water rationing becomes necessary again, people who save water between now and then must not be penalized.

Commissioner McCrea moved, Commissioner Pilcher seconded, and the Commission unanimously voted that it is the policy of the Commission that any future water rationing program not penalize people who voluntarily save water, and that present records be maintained.

Commissioner McCrea said he was chagrined at Mr. S.M. Tatarian's policy of not recycling computer water. He suggested that the Commission might consider a rule that would penalize industrial users who did not recycle their water.

Commissioner McCrea requested that Mr. George E. Baglin, Utilities General Counsel, report on the legality of such a rule at the meeting of February 28, 1978.

On motion of Commissioner Pilcher, seconded by Commissioner McCrea, the Commission unanimously adopted staff recommendation, as modified by Commission regarding establishing a voluntary water conservation program. There was no public comment.

Resolution No. 78-0046--Public Hearing to consider revision of schedule of rates for furnishing Hetch Hetchy power to private consumers and Municipal Departments.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power, stated the recommendation before the Commission is to increase Hetch Hetchy power rates to bring them into line with those adopted by the California Public Utilities Commission for PG&E.

It is recommended that the present policy continue. The affected prevailing rates would be adopted except for classes of customers which serve the City & County of San Francisco directly. One basic change is recommended regarding rates charged to the Water Department for pumping water outside San Francisco. Heretofore

these charges have been discounted. It is now recommended that the discount be eliminated. This policy change would add \$500,000 annually in revenue for Hetch Hetchy power. Mr. Moore explained that Airport use is regional in nature and that the city should not subsidize airlines and other private businesses. Mr. Moore stated that the increase in power costs to the Airport over 1977-78 fiscal year would be \$1,200,000.

Mr. Richard R. Heath, Director of Airports, gave a written statement to the Commission, which he summarized orally. A copy of this statement is attached and made a part of these minutes.

Responding to a question from President Henning regarding justification for disparity in rates, Mr. Moore said the Airport is supported by revenues from international air travel, while municipal facilities in San Francisco are supported by the San Francisco taxpayers. He pointed out that the Airport can not buy power cheaper than from Hetch Hetchy. He said United Airlines pays prevailing rates at Oakland and San Jose Airports, and all over the country. He said Oakland Airport buys power from PG&E.

Mr. Robert N. Lowry, representing the airline tenants of the San Francisco International Airport and Host International, Inc., then spoke in opposition to the proposed increase to be charged to the Airport and indirectly to tenants of the Airport. He said the proposed increase is unreasonable and unlawful. He said the autonomous nature of the Airport is being overlooked, and that the Airport and its tenants are paying Hetch Hetchy more than its costs. Therefore, monies are being transferred into the general fund contrary to provisions of the Charter. He pointed out that PG&E rates reflect a higher proportion of steam electric generation from fossil fuels, while Hetch Hetchy power generation is hydro-electric. He said the U.S. District Court in Sacramento has recently enjoined Hetch Hetchy from charging commercial customers rates not approved by the Secretary of the Interior.

Mr. George E. Baglin, Utilities General Counsel, said the injunction for commercial uses, is being appealed.

Mr. Moore said it is not a requirement of the Raker Act that San Francisco supply the Airport power at discounted rates.

Commissioner Pilcher stated that funds received from the Airport should be itemized separate from other City departments so that the sources of funding are apparent to the Board of Supervisors.

Mr. David M. Lilly of San Francisco Tomorrow, spoke in favor of the proposed rates. He said cost of the 20 percent of power that is used by the Airport itself would be passed along to the airlines. He noted that currently the Airport is able to pay \$15 million annually to San Mateo County. Also, the Airport should be encouraged to conserve energy.

Resolution No. 78-0047--Approving Department of Public Works proposal for construction of new street lighting on Lombard St. and on Richardson Avenue.

Mr. Moore pointed out this new lighting will increase illumination three times at a little more than one-third of the energy formerly needed.

Resolution No. 78-0054--Proposed notice of public hearing for disposal of surplus land; and proposal of Modland Corporation regarding use of HH Railroad right-of-way parcel Nos. 409 (1), 409 (2), 410, 411 and 412 in Tuolumne County.

Commissioner Pilcher said she would like to make sure that environmental groups see the notice, as over 20 acres are to be devoted to roads, and the impact on wild life and scenery would be major.

Mr. Greg Lewis, representing Modland Corporation, said the environmentalists had an opportunity to respond to the EIR covering 528 acres. Modland Corporation is trying to obtain Hetch Hetchy owned right-of-way, as Modland owns property on both sides of the right-of-way.

Commissioner McCrea said adequate public notice should be given, and the notice should indicate why the land is being declared surplus and its connection with Modland Corporation.

Mr. Moore said he would also notify the local chapter of the Sierra Club and Friends of the Earth.

President Henning stated there will be a public hearing in Tuolumne County on March 16, 1978.

ITEM NO. 19--Approving and authorizing execution of a .346 acre lease to Olive Street Partners #18 for purposes of parking and landscaping of certain property under the jurisdiction of the Water Department in Santa Clara County for a term of 40 years at an annual rental of \$756, subject to rental adjustment at the end of each 3-year term, plus payment of taxes and assessments thereon (Deferred from January 24, 1978).

Following discussion among Commissioners and staff, Mr. Boyd was instructed to renegotiate this lease and endeavor to obtain an annual rental of \$1200 for a 3-year term, with rental to be adjusted after 3 years according to the market value at that time. The item was put over to the Commission meeting of February 28, 1978.

COMMUNICATIONS (Taken out of Order)

President Henning read a letter from M. Goldberg regarding noise and air pollution at Kirkland Yard. A copy of this letter was forwarded to Mr. Wentz by Supervisor John L. Molinari. Supervisor Molinari wrote that he would like the Municipal Railway and the Commission to suggest some solutions to the situation.

Mr. Wentz said staff will develop the best staff reports possible, and will provide copies to the Commission and to Supervisor Molinari.

Resolution No. 78-0061--Authorizing the General Manager of the Public Utilities to communicate with the Chairman of the Board of Supervisors Legislative and Personnel Committee requesting that the proposed amendment of Section 7.403 of the Charter be tabled by the Committee, and that it not be placed on the June 6, 1978 ballot.

President Henning reminded staff that matters requiring Commission policy judgments should not be discussed at Legislative meetings prior to Commission approval.

Resolution No. 78-0067--Authorizing the General Manager of Public Utilities to enter into a contract for purchase and resale at discount to City and County residents certain multi-ride commuter tickets on Southern Pacific Railroad trains.

Mr. Wentz explained that the Metropolitan Transportation Commission has made funds available from allocations to three counties for this purpose. A total of \$50,000 is available for San Francisco. San Mateo and Santa Clara Counties each received \$500,000 and \$600,000 respectively for this purpose.

ITEM NO. 33--Approving the Municipal Railway's recommendations for spending the Public Service budget.

Following discussion among Commissioners and staff, Commissioner McCrea suggested that \$100,000 of the public service budget be used to hire a consultant for evaluation of the current program and development of a marketing program for the future.

President Henning instructed that the item be put over to the Commission meeting of February 28, 1978.

Resolution No. 78-0069--Approving grant application, pursuant to SB 1879, and requesting S.F. Board of Supervisors to authorize Commission, acting through the General Manager of Public Utilities to execute and file said grant application with CALTRANS, and to accept grants in aid to fund the engineering, planning and design of a waterfront rail link between Muni Metro Subway at the foot of Market Street and the Southern Pacific Depot.

Commissioner McCrea asked why this grant application is limited to travel from Market Street southward.

Mr. Tom Matoff of the Municipal Railway Planning Department, replied these monies are TDA funds to be used for interface projects. In December, 1976, transit systems throughout the State were asked to make a list of possible interface projects, and this was one of them. He said this project will be compatible with public transportation on the northern waterfront.

ITEM NO. 36--Approving a new style uniform for platform employees, and directing the Municipal Railway to take appropriate action to gradually phase in the new uniform style commencing in January, 1979.

Mr. Rod Bartholomew, Acting General Manager, Operations and Administration, explained that several uniform manufacturers were asked to submit their ideas. These ideas were taken to the various divisions and a poll was conducted of the operators. The uniform selected by the operators was modelled for the Commission by operator, Mathew Clark. Mr. Bartholomew said the coat will be brown as are the trousers. The shirt will have a wider collar to wear with or without a tie. There will be no hat, but a beret for cable car operators will be considered.

Mr. Lawrence B. Martin, President, TWU Local 250-A, said there is a jacket vest, which can be used as another garment for warmth, with or without the jacket.

There followed discussion about public review, press conferences etc.

Commissioner H. Welton Flynn said he is trying to decide whether the public should usurp the right-of the drivers to make a choice of uniform.

President Henning requested that the matter be continued, and that a report be submitted to the Commission on April 11, 1978, as to what measures were taken to advise the public.

Resolution No. 78-0075--Endorsing the comments from the Water Department, the Municipal Railway, and the Transportation Policy Group on draft environmental management plan for the San Francisco Bay Area prepared by the Association of Bay Area Governments (ABAG).

Mr. Wentz explained that comments must be given to the consultant by tomorrow, February 15, 1978.

Following discussion among Commissioners and staff of the various items, the Commission agreed to endorse the ABAG plan, with modifications, i.e., actions 9,10 and 13 to remain as recommended, on action 12, leave out last sentence, "the current practice of CALTRANS is to create new lanes to accommodate bus and carpool only lanes."

Regarding the use of management assistance teams within the Mayor's Program/Budget Office, Commissioner Pilcher said she understood that Muni has applied for assistance. She asked that the Commission be advised as to assistance being requested.

President Henning stated that the Lau Amendment, which would amend Section 8.404 of the Charter relating to the fixing of wages and other benefits of carmen for periods in excess of one year should be placed on the agenda for Commission consideration at the meeting of February 28,1978.

THEREUPON THE MEETING ADJOURNED: 5:30 p.m.

ROMAINE A. SMITH
Secretary

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:30 P.M.

February 28, 1978

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Joseph P. Byrne

Peter McCrea

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

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Present: Commissioners Claire C. Pilcher, H. Welton Flynn,
Peter McCrea

Absent: Commissioners John F. Henning, Jr., Joseph P. Byrne

Vice President Pilcher presided in the absence of President Henning.

Commissioner Pilcher introduced Mr. John M. Sanger, who will be sworn in as a member of the Commission on March 14, 1978.

The minutes of the regular meeting of February 14, 1978, were approved as amended to add on page 78-35 the following comment from Commissioner Pilcher regarding revision of schedule of rates for furnishing Hetch Hetchy power to private consumers and Municipal Departments: Funds received from the Airport should be itemized separately from other City Departments so that the sources of funding are apparent to the Board of Supervisors.

RESOLUTION
NO.

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0077 HH Approving transfer of the sum of \$20,000 for emergency repairs of slide damage to Trail No. 154 on the north side of Hetch Hetchy Reservoir, in accordance with the provisions of Section 6.30 of the Administrative Code.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0078 HH Awarding HH Contract No. 580, in amount of \$530,353 to Underground Construction Co., Inc., San Leandro, California, for underground duct system in Mission, Bryant, Alameda, 16th, 14th and 8th Streets, and South Van Ness Avenue. (Power Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

78-0079 HH Approving supplemental appropriation, amount \$4,474,000, to provide funds for additional power purchases during the drought period.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0080 W Setting Tuesday, March 28, 1978, at 2:30 p.m., for public hearing of Water Department analysis and recommendations of the Brown and Caldwell Rate Design Study.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0081 W Approving and authorizing the execution of a .346 acre lease to Olive Street Partners #18 for purposes of parking and landscaping of certain property under the jurisdiction of the San Francisco Water Department in Santa Clara County for a term of 40 years commencing January 1, 1978, and terminating December 31, 2017, at an annual rental of \$1200, subject to a rental adjustment at the end of each 3-year term, plus payment of taxes and assessments thereon. (Deferred from February 14, 1978)

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0082 W Authorizing bid call for WD Contract No. 1745--30-Inch Steel Main Installation in Howard Street between 3rd and 4th Streets. Estimated cost of work, \$64,700.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

- 78-0083 W Awarding WD Contract No. 1739- Building Repairs, Central Pumping Station, San Francisco, California to Leon Carlen of San Francisco, California, in the amount of \$45,476.60.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0084 M Approving the Municipal Railway's recommendations for spending the Public Service budget. (Deferred from February 14, 1978)

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0085 M Accepting as satisfactorily completed MR Contract No. 618 for "J" Church Line-Track Reconstruction 18th Street to 22nd Street; approving debit modification in the amount of \$13,661.04; and authorizing final payment of \$78,671.02 to Peter Kiewit Sons' Company, Contractor. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0086 M Recognizing the Muni Transit Police Detail as an effective force in the deterrence of crime aboard the Municipal Railway.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0087 M Approving compromise and collection of the sum of \$1,500 from BARTD; Peter Kiewit Sons' for full settlement of a Municipal Railway claims in the amount of \$6,800.46.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

- 78-0088 M Approving write-off of Municipal Railway uncollectible accounts receivable more than 90 days past due, month of January, 1978, amount \$404.89; and approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount \$6,065.62, month of January, 1978.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

- 78-0089 M Approving payment of claims, amount \$37,326.69, from Municipal Railway revolving fund, month of January, 1978.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

- 78-0076 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$22,225.

Vote: Ayes-Pilcher, Flynn, McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

- 78-0090 GO Authorizing the General Mgr. of Public Utilities to file supplemental budgets for fiscal year 78-79.

Vote: Ayes-Pilcher, Flynn, McCrea

COMMUNICATIONS

Secretary Romaine A. Smith reported that a communication dated February 8, 1978, has been received from the Fremont Unified School District. The District's revocable permit for parking has been cancelled by the Water Department. The Water Department has tried to renegotiate an agreement which would include a fee. The District is appealing to the Commission for a permit on a no fee basis. Commissioner Pilcher requested that this matter be placed on the calendar for the next regular meeting of the Commission.

Mr. Kenneth R. Boyd, General Mgr., San Francisco Water Department, suggested that the District be invited to attend that meeting.

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz

Visit of Senator James R. Mills

Mr. Wentz stated the visit of Senator Mills on February 24, 1978 was constructive. The Senator rode an LRV, inspected the Embarcadero loop and the possible LRV extension to the SP Station. He inspected Woods Yard and the Muni Metro Center. Commissioner Pilcher participated in these activities, and Supervisor Harvey Milk and his aide joined the group for luncheon.

Boeing Vertol Tests

Boeing Vertol tests for LRVs are completed. On February 27, 1978, the cars were turned over to Louis T. Klauder for testing on behalf of the City.

Cable Car Extension

The Streets and Transportation Committee of the Board of Supervisors has continued the cable car extension matter for one month.

Market Street Wires

The Streets and Transportation Committee on February 23, 1978, approved the change in policy to allow retention of Market Street wires for electric coaches. This matter will be on the Board of Supervisors calendar for March 6, 1978.

Charter Amendment Regarding Setting of Carmen Wages

On February 27, 1978, the Board of Supervisors rejected Supervisor Quentin L. Kopp's proposal changes relative to the setting of carmen wages for periods in excess of one year. An amendment was approved by the Board with some clarifying changes.

Muni Fare Increase Alternatives for EIR

Mr. Wentz stated there are various alternatives for a fare increase to be included in requests for proposals for an environmental impact report. He said staff will prepare a table showing the financial impact of the various alternatives. This matter is to be calendared as an additional item at the special meeting of March 7, 1978.

Commissioner Pilcher stated Supervisor Harvey Milk's office was cooperative in providing her with preliminary information on applicability of depreciation to AB1107 eligibility. His office has asked for an opinion from the City Attorney. Mr. Wentz said this subject will be added to the calendar for March 7, 1978.

Hetch Hetchy Rate Increase

On February 27, 1978, the Board of Supervisors put the Hetch Hetchy rate increase over for two weeks to allow preparation of a report by the Board of Supervisors' budget analyst.

Proposed 12% Water Rate Reduction

On February 27, 1978, the Board of Supervisors put over the proposed 12% reduction in rates for one week to allow the Board time to study the budget analyst's report recommending that rates not be reduced until post rationing consumption is well established, or pending changes the Commission may make on March 28, 1978.

Mr. Boyd stated there is no reason to delay a hearing on proposed water rates for the coming fiscal year. He said that during the past 7 days water consumption has increased from 145 mgd to approximately 170 mgd. The staff will have a consumption curve prepared for the Commission.

Budget Meetings

Mr. Wentz reported that budget meetings with the Mayor's staff on February 23, 1978, were constructive.

Meet and Confer Sessions

Mr. Wentz stated that a letter was received from the Mayor's Office requesting designation of representatives from PUC Departments for "meet and confer" sessions. He explained that labor unions meet and confer with the labor relations representative to negotiate modifications of fringe benefits. Wages are set by formula and are not negotiable. Staff recommendations, as follows, were accepted by the Commission. Mr. Eugene Womack representing all PUC Departments; Mr. Patrick J. Phillips representing Hetch Hetchy Water and Power; Mr. Eugene Kelleher representing engineering and crafts for Water Department; Mr. Cyril Roche representing other Water Department classifications; Mr. John Beckham representing Municipal Railway; and Mr. Dean Collins representing PUC Computer Center.

Resolution No. 78-0083--Awarding WD Contract No. 1739-Building Repairs, Central Pumping Station, San Francisco, California- to Leon Carlen of San Francisco, California, in the amount of \$45,476.60.

Commissioner H. Welton Flynn inquired if this contractor has done work for the Water Department in the past.

Mr. Boyd answered that this contractor had not performed work for the Department before. However, the Water Department Engineering division investigates within the limits of the law, and there is nothing against Leon Carlen, and his bond is in order.

Mr. George Carey, Chief Accountant, said this contractor has performed work for other City Departments, such as Department of Public Works.

Resolution No. 78-0084--Approving the Municipal Railway's recommendations for spending the Public Service budget. (Deferred from February 14, 1978)

The Commission voted to approve the Municipal Railway program for expenditures from the information services budget, which includes \$100,000 for obtaining a consultant to establish a marketing program, \$15,000 for official advertising, and \$80,000 for other information purposes.

Resolution No. 78-0086--Recognizing the Muni Transit Police Detail as an effective force in the deterrence of crime aboard the Municipal Railway.

Commissioner Pilcher stated the record of the Muni Transit Police Detail is very impressive, and is spectacular in terms of crime reduction on buses and safety of riders.

Mr. Wentz added that Mr. James H. Leonard, Director of Public Service will prepare a press release on this matter.

Mr. Lawrence B. Martin, President, TWU-Local 250A said his organization has not had an opportunity to speak about its problems.

Lieutenant Donald Goad, Commanding Officer of the Transit Police Detail, said many people have had input into the program, including the San Francisco Police Department and the Mayor's Office.

Commissioner Pilcher requested that Lieutenant Goad and Mr. Martin discuss any problems. She said better communication is needed between staff and personnel. She added that she was asked by one of the guards on a bus if the guards being there made any difference.

Commissioner Flynn said he rode the 38-Geary line a few days ago. He said there were two uniformed men on the line- one standing at the back door and one at the front door. They were watching passengers and assisting patrons getting on and off the bus, and were doing a commendable job.

Mr. Curtis E. Green, General Manager, Municipal Railway, said his experience in riding a bus was the same as Commissioner Flynn's. He said any person having difficulty was helped to his or her seat. He said there has been a reduction in falls on board buses, and there is a 9 to 10 percent increase in ridership, as people now have a better sense of personal security. Under Lieutenant Goad's leadership young people are working this detail enthusiastically and well motivated.

Commissioner Pilcher asked why it is necessary to have this detail working in pairs, and Lieutenant Goad replied they are more effective in pairs, as they are unarmed except for mace, a club and handcuffs. They have had to arrest violent people.

Resolution No. 78-0076--Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$22,225.

Commissioner Peter McCrea requested that the Municipal Railway General Claims Agent periodically submit a report on claims settled during the fiscal year 1978-79.

Mr. Wentz suggested discussing the supplemental budgets of the PUC departments one at a time. Common to all departments are risk management and increased effort by the City Attorney.

Commissioner Pilcher referred to the item having to do with the City Attorney's Office allocating additional personnel to handle PUC matters. She said greater utilization of the City Attorney's Office in reducing claims and handling litigation would be money extremely well spent. She added that the new City Attorney is to be commended for his interest in PUC matters.

On motion of Commissioner McCrea, seconded by Commissioner Flynn, the Commission unanimously approved the supplemental budget for the General Office.

On motion of Commissioner Flynn, seconded by Commissioner McCrea, the Commission unanimously approved the supplemental budget for the Water Department.

Commissioner McCrea noted that the supplemental budget for the Municipal Railway covers expenses anticipated for LRV operations starting in 1978-79.

Mr. Curtis E. Green, General Manager, Municipal Railway, said LRV operations are scheduled to begin in June, 1979, and that the first line to be placed in operation would be the N Line.

Mr. Wentz said this would involve five stations, track maintenance, training of operators, and testing and acceptance of cars. He said employees will be phased in ahead of time in order to begin operations in June, 1979.

Commissioner McCrea stated the supplemental budget basically provides for Muni hiring personnel to provide all of the custodial work and maintenance in all of the stations, including those shared with BART. He asked if this custodial work and maintenance could be subcontracted with BART.

Mr. Green explained that Muni executed an agreement with BART two years ago whereby BART will handle the advertising contract on both levels and Muni will share equally in the proceeds and maintenance of commonly shared areas. He said, there has been no formal agreement with BART on custodial work thus far. Muni is requesting the positions and that funds be appropriated; but if subsequent negotiations determine that it would be less expensive to have a contractual arrangement with BART that amount of money would be saved. He said Mr. Merrill R. Cohn, Municipal Railway Transit Equipment Engineer, has been assigned to negotiate the matter.

Commissioner McCrea said the need to secure funds is recognized, but the Commission is concerned as to whether the Boeing cars will be acceptable for starting service in June, 1979. He suggested that a meeting of the LRV Board of Control be held so that there will be an understanding of the context in which this supplemental budget is being presented. He said there should be a briefing on the status of the entire program.

Commissioner Flynn reminded Commission and staff that submission of supplemental budgets must meet time constraints.

Dr. John M. Christensen, Jr., Assistant General Manager for Finance, stated that if the Boeing cars should not be available, the money will not be spent in its entirety. It appears at this time that the program will go forward as planned. Information has been received from Boston that the MBTA cars are meeting performance goals and met all requirements during the recent winter storms. It is anticipated that they will be in acceptable form when received by the Municipal Railway. Dr. Christensen said he thinks San Francisco must plan by using that premise.

Mr. Wentz said the supplemental budgets must be in the Mayor's Office by March 15, 1978.

There followed a discussion among Commissioners and staff regarding ground rules for eligibility for funds under AB1107.

Mr. Wentz explained that the ground rules are under preparation, but the Metropolitan Transportation Commission has not yet issued a written report.

Commissioner McCrea stated he would like to have the LRV portion of the Municipal Railway supplemental budget put over in order to allow the public to review it.

Commissioner Flynn moved that the LRV portion of the supplemental budget be adopted this date. The motion died for want of a second.

Commissioner McCrea moved, and Commissioner Pilcher seconded that the LRV portion of the supplemental budget be considered on March 7, 1978. Commissioner Flynn voted "no", and the motion was adopted by vote of 2 to 1.

On motion of Commissioner McCrea, seconded by Commissioner Flynn, the balance of the Municipal Railway supplemental budget was unanimously adopted.

On motion of Commissioner Flynn, seconded by Commissioner McCrea, the Hetch Hetchy Water and Power supplemental budget was unanimously adopted.

On motion of Commissioner McCrea, seconded by Commissioner Flynn, the PUC Computer Center supplemental budget was unanimously adopted.

ITEM NO. 23--Consideration of position with respect to proposed Charter Amendment amending Section 8.404, relating to fixing of wages and other benefits of carmen for periods in excess of one year.

Mr. Wentz explained that the item will be before the Board of Supervisors for a second reading.

Mr. Lawrence B. Martin, President, TWU, Local 250A, stated that at the first reading on February 27, 1978, two changes were made which would allow carmen to negotiate a better rate.

No action was taken by the Commission on this item.

THEREUPON THE MEETING ADJOURNED: 3:45 p.m.

ROMAINE A. SMITH
Secretary

M I N U T E S
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

SPECIAL MEETING
Main Library- Civic Center
Third Floor Commission Meeting Room

2:00 P.M.

March 7, 1978

COMMISSIONERS
John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Welton Flynn
Joseph P. Byrne
Peter McCrea

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
PUC Computer Center

John B. Wentz
GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith
SECRETARY

APR 10 1978

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Call To Order: 2:11 p.m.

Present: Commissioners John F. Henning, Jr., Claire C. Pilcher,
Peter McCrea

Absent: Commissioners H. Welton Flynn, Joseph P. Byrne

RESOLUTION
NO.

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0091 Approving capital improvement programs for Municipal Railway, San Francisco Water Department, Hetch Hetchy Water and Power, 1978-79 through 1982-1983.

Vote: Ayes-Henning, Pilcher, McCrea

COMMUNICATIONS:

President Henning referred to a letter from the San Francisco Muni Coalition dated March 2, 1978, regarding cuts in runs during the past year. He said it was his understanding that Mr. Wade Hudson of the Muni Coalition would like to have the matter calendared for a report at the PUC meeting of March 14, 1978.

Mr. Hudson stated the Muni Coalition is concerned about cuts in runs in the future on Lines, 2,22, and 38 and because the authorized number of operators has not been hired. Mr. Hudson inquired about the use of overtime to meet present service levels, and he requested a report on the number of spare vehicles presently available and how many are expected to be available in six months.

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz
Water Rate Reduction

Mr. Wentz reported that the Board of Supervisors approved the water rate reduction, and also adopted a resolution proposed by Supervisor Molinari requesting Mayor Moscone to urge the Commission to further reduce rates if water sales increase to permit a reduction. The new rates are effective as of the March 1, 1978,, billing cycle.

Water Consumption

During the week of February 25 to March 3, 1978, water usage was 22% down from normal.

Muni Supplemental Appropriation

The Board of Supervisors approved a supplemental appropriation of \$195,000 for Municipal Railway overtime on March 6, 1978.

Market Street Overhead Wires

The Board of Supervisors put over for one week the Market Street wire policy change at the request of Supervisor Robert E. Gonzales, who wanted an opportunity to read the file. It is hoped the matter will be passed by the Board of Supervisors next week, as it could affect the Commission hearing set for March 14, 1978.

ITEM NO. 8-Approving the LRV portion of the Municipal Railway supplemental budget for fiscal year 1978-79.

ITAC 00.

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Mr. Curtis E. Green, General Manager, Municipal Railway, stated the LRV portion of the Municipal Railway supplemental budget for 1978-79 is \$2.8 million, and 210 positions are requested. A study dealing with services which might lend themselves to contractual arrangements of custodial duties has been prepared and will be forwarded to Mr. Wentz.

Mr. Green stated that the N Line is expected to be placed in service in June, 1979. Mr. Wentz said assuming that vehicles are received at the rate of 10 or 12 per month, it would take 6 months to receive the balance of the cars. Therefore, full implementation could take three or four months. To place one line in operation costs a great deal of money. Stations must be opened and a full cadre of track maintenance people will be required. The LRV Task Force will monitor the sequence of events.

Mr. Green said there has been no discussion of premium fares for LRV service.

Commissioner Peter McCrea stated he would vote for adoption of this item on condition that no funds be spent without approval of the Commission, and that no personnel be hired under this portion of the supplemental budget without permission of the Commission.

On motion of Commissioner Pilcher, seconded by Commissioner McCrea, the Commission unanimously adopted the LRV portion of the Municipal Railway supplemental budget for 1978-79 with the inclusion of the above condition.

ITEM NO. 9--Consideration of applicability of depreciation to AB1107 eligibility.

Mr. George E. Baglin, Utilities General Counsel, stated that depreciation is not an operating cost for AB1107.

Commissioner McCrea stated that there is a good, logical and practical reason for not including depreciation because depreciation is allowed for income tax purposes only.

At the request of Commissioner Claire C. Pilcher, Mr. Baglin said he would send a formal opinion to Supervisor Harvey Milk.

ITEM NO. 10--Selection of fare alternatives for the request for proposal for the environmental impact report on Municipal Railway fare increase necessary for qualification for AB1107 funds.

Mr. Wentz stated that 14 alternatives were sent to the Commission. He suggested the Commission might wish to eliminate alternatives 1, 2, 3, 4 and 6, which would not produce enough revenue.

Commissioner Pilcher said she hopes the alternatives would permit a wide range of fare possibilities, even including no fare, or a 50¢ fare.

Mr. Wentz said no fare was not listed as an alternative, as it would not apply toward Muni's eligibility for AB1107 funds. He said it was calculated that \$500,000 would be lost if free fares were provided for the elderly. Also, the Board of Supervisors' budget analyst has anticipated that if the Jarvis/Gann Amendment were adopted, funding to the Municipal Railway would arbitrarily be cut.

1998, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 2680, 26

Following discussion among Commission and staff, Commissioner McCrea said there was a consensus that the lower and upper ends of the alternatives should be expanded. He said sensitivity analysis should be given to assumption 3 and the increased Fast Pass value.

Commissioner Pilcher pointed out the possibility of instituting fare increases incrementally over a long period of time.

Responding to a question from President Henning, Mr. Wentz said the target date for forwarding a draft RFP to the Commission would be 3 weeks.

President Henning instructed that the matter be calendared for the Commission meeting of April 11, 1978. He suggested that material be shared with various public groups.

Mr. John Elberling of CAPTrans stated that the Commission on the Status of Women would like an analysis of the impact of various alternatives on working women, who comprise by far the majority of Muni ridership. Mr. Elberling also suggested that no fare and no fare downtown be studied.

Mr. Wentz introduced Mr. Lynn Pio of the Municipal Railway as the Project Director. Mr. Wentz said anyone from the public desiring information or input into the RFP can contact Mr. Pio by telephone at 558-5528. The telephone number was then written on the black-board.

Mr. Wentz asked if any alternatives should be eliminated, and President Henning replied that all alternatives should be included.

Commissioner McCrea referred to the prevailing level of the parking tax, and suggested there be a comparable increase in the parking tax to maintain parity between private auto ridership and public transit.

Resolution No. 78-0091--Approving capital improvement programs for Municipal Railway, San Francisco Water Department, Hetch Hetchy Water and Power, 1978-79 through 1982-1983.

Mr. Wentz stated that the Municipal Railway budget does reflect capital improvements for the current year. He said at the time the program was prepared, it appeared that Muni staff had opted for enlarging the Presidio Division for both bus maintenance and office space in lieu of the U.S. Steel property and the Muni Metro Center. It now appears there is a difference of opinion among Muni staff as to which might be the best plan.

Mr. Wentz requested three or four months for staff to make an analysis of the alternatives.. In the meantime, he said, a submission must be made to MTC. He suggested that the Commission report the current funding plan for the U.S. Steel property and for office space at the Muni Metro Center, which has already been approved by MTC and UMTA. If it is subsequently decided to enlarge the Presidio Division, a change in the submission to MTC will have to be executed.

Mr. Wentz stated that within the past two or three days a third alternative has emerged. This involves a possible lease back with the Federal Government (GGNRA) of some property at the beach. Facilities would be underground. Staff has been in contact with Congressman Philip Burton's office, and expects to have within a week a preliminary response on potential inclusion of the playland at the beach area and availability for underground storage.

Mr. Green stated the highlights for the Muni capital improvement program are the J Line extension to Balboa Park, the Embarcadero turnaround, and extension of streetcar service from the S.P. Depot around the Embarcadero.

Mr. Tom Matoff, Acting Director of Planning, said the capital improvement program is \$158 million over a 6-year period, with \$40.6 million for reconstruction and replacement. This is an average of \$26.3 million per year. The program does not include four items which were included in the submission which are actually Hetch Hetchy items. Pages 11, 15, 20 and 37 should be deleted and added to the Hetch Hetchy capital improvement program, as these items relate to trolley coach overhead rehabilitation, etc.

Essentially, Muni is asking Hetch Hetchy for \$48.3 million in capital improvements- \$37.7 million for additions and betterments, and \$10.6 million in reconstruction and replacement.

Mr. Elberling said that \$14 million local share is to come from SFMRIC, and questioned \$1 million for 8 bathrooms for operators. Dr. Christensen stated that \$6 to \$7 million is uncommitted by SFMRIC and the \$14 million is already programmed.

Mr. Larry Martin, President, TWU Local 250-A said the bathrooms will be down town with off street parking, which makes them expensive.

Following discussion among Commission and staff, Commissioner McCrea requested that staff prepare an evaluation of the Presidio Division, Woods Division and U.S. Steel property in order to solve the storage problem in the next five years. He said sufficient contacts should be made with neighborhood groups so that part of the analysis is an assessment of probable neighborhood reaction.

Commissioner Pilcher moved to adopt the Municipal Railway capital improvement program. Commissioner McCrea amended the motion to make the Embarcadero rail line B priority. With this amendment Commissioner Pilcher moved, Commissioner McCrea seconded, and the Commission unanimously adopted the Municipal Railway capital improvement program.

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At 3:45 p.m. President Henning declared a 10-minute recess.

At 3:55 p.m. the meeting reconvened.

Mr. Wentz explained that the Hetch Hetchy and Water Department capital improvement programs are similar in that they are prepared with the same accounting input. All of the first year items are included in the annual budget already processed. Hetch Hetchy has two unfunded projects. One is the 4th pipeline across the San Joaquin Valley, and the other is the power development project on the Tuolumne River.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power stated that Hetch Hetchy capital improvement program for this year is at a level of \$6.5 million. This represents not only this year's costs for maintenance items, but also those items either deleted or deferred as a result of the drought during the past two years. Mr. Moore said Hetch Hetchy anticipates being able to handle this level of funding in the current year and maintaining adequate reserves. Reconstruction and replacement items are primarily long term. Major programs involve continuation of a program initiated two years ago to replace the lining in the San Joaquin pipelines, rewinding of the generator starters at Holm Power House, and repair of Eleanor Dam. Under additions and betterments Hetch Hetchy is again asking for funds deleted from the budgets of the last two years to study development of existing facilities of power generation. There are opportunities of expanding without major construction.

Funds are being requested to reconstruct the valley operating quarters. Bond funded projects are not included in the \$6.5 million, but would be funded out of power bond funds. This includes a station to pump water from Lake Eleanor to Cherry Dam.

Commissioner McCrea asked if there is a plan to allow water from Holm Power House to be put back into the aqueduct. Mr. Moore said this is being studied.

Commissioner McCrea stated that the construction of the No. 4 pipeline should be funded from revenues from suburban customers. Mr. Moore said this involves not only construction of the San Joaquin pipeline, but extension of contracts to customers.

Mr. Wentz explained that Mr. Boyd and Mr. Moore are engaged in a joint effort to study the possibility of a future bond issue program, as bond funding will be required to construct the fourth pipeline and some additional Water Department work. By the time a study is completed staff will have engaged in dialogue with resale customers, as the fourth pipeline is not being built to serve the people of San Francisco.

Mr. Brad Welton stated that in September, 1976, the PUC held a public hearing to discuss whether the Commission would become involved in building dams on the Tuolumne River. He said the Commission decided to authorize no more funding for the Wards Ferry-Clavey Project until San Francisco supported the building of dams. However, the Commission appropriated \$4,000. Mr. Moore explained that the Commission authorized the City's share of the cost of an application. Dr. John M. Christensen, Jr., Assistant General Manager, Finance, added that \$8,000 was spent as a registration fee in a prior year.

On motion of Commissioner Pilcher, seconded by Commissioner McCrea, the Hetch Hetchy capital improvement program was unanimously adopted as presented.

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Mr. Kenneth R. Boyd, General Manager, San Francisco Water Department, stated that the projects for the 2nd, 3rd, 4th, 5th and 6th years reflect the costs of inflation. Facility maintenance is usually minor. Larger capital expenditures are funded under a bond issue. Regarding San Joaquin pipeline No. 4, he said the City is in litigation with the resale customers. Dr. Christensen, the City Attorney's office, Mr. Moore, and Mr. Boyd are working on this matter.

Mr. Brad Welton inquired about the possibility of a 4th pipeline from the delta. Mr. Boyd said that pure snow water would enter the delta which has a high salt content. Salt would have to be pumped out and more water treatment would be required. However, this possibility will be studied.

On motion of Commissioner Pilcher, seconded by Commissioner McCrea, the Commission unanimously adopted the Water Department capital improvement program as presented.

President Henning referred back to item 5, Communications, and made reference to a letter dated March 1, 1978, from the California Highway Patrol concerning on-going inspections of buses. He said that on February 28, 1978, 48 violations were disclosed on buses at Kirkland and Woods Yards. The CHP is advising that Muni does have some legal standards to meet.

Mr. George Duarte, Deputy General Manager, Engineering and Planning, stated the coaches at Kirkland Yard were in better condition than those at Woods Yard. He stated, however, that coaches on the street are meeting standards.

President Henning then read the letter, which he described as a serious letter, copy of which is attached hereto and made a part of these minutes.

Commissioner Pilcher said that the UTDC study states that 55 additional maintenance personnel should be hired immediately. She said she thinks the problems will continue until the Board of Supervisors and the Civil Service Commission enable Muni to meet the proper level of personnel.

Mr. Wentz stated that a commitment has been made to the CHP that Muni's top priority is safety.

President Henning instructed staff to inform CHP of measures being taken to comply with standards.

THEREUPON THE MEETING ADJOURNED: 4:32 p.m.

ROMAINE A. SMITH
Secretary

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:36 P.M.

March 14, 1978

SEP 25 1979

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COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:36 p.m.

Present: Commissioners John F. Henning, Jr., Claire C. Pilcher,
H. Welton Flynn, Peter McCrea, John M. Sanger

The minutes of the regular meeting of February 28, 1978 were approved.

RESOLUTION
NO.

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0092 HH Approving grant application with Urban Mass Transportation Administration for Municipal Railway trolley coach overhead wire reconstruction and replacement; and line extensions, interconnections and new routes.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn the following resolution was adopted:

78-0093 HH Approving modification No. 2 in the debit amount of \$14,937 to provide funds for additional work under HH Contract No. 454, Moccasin Sewage Treatment Plant.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

78-0094 HH Awarding HH Contract No. 549, in amount of \$1,020,000 to Moore Construction Co., San Francisco, California, for Bryant Substation and Power Control Center, Construct Building and Install Equipment. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0095 HH Accepting as satisfactorily completed work under HH Contract No. 544, Fillmore Substation, Construct Building and Install Equipment; approving credit modification of \$221.64; and authorizing final payment of \$65,416.42 to Herrero Brothers, Inc., Contractor.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0096 W Approving modification No. 1 in the debit amount of \$0.00 to cover additional repairs to Crystal Springs Pump Station under Water Department Contract No. 1640-Renovation of Crystal Springs Pump Station.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution adopted:

78-0097 W

Accepting as satisfactorily completed WD Contract PS-149 for inspection and study of earthquake stability of Crystal Springs Dam in San Mateo County; and authorizing final payment of \$24,213.03 to W.A. Wahler and Associates, Dam Consulting Engrs.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0099 W

Approving the third supplemental agreement in modification of lease with Santa Clara Sand and Gravel Co., which provides for modification of the performance bond provisions of the lease; furthermore, authorization to terminate lease in event of non-compliance.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0100 W

Approving write-off of Water Department uncollectible accounts receivable more than 90 days past due, month of January, 1978, amount \$6,133.87.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0101 W

Approving collection of Water Department claim for damages against miscellaneous debtors, amount \$429.10, month of February, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0102 W

Approving compromised payment of \$28,190 to Ameron, Inc. in full settlement of claim in amount of \$51,988.64 for additional costs incurred under WD Contract No. 1721.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0103 M

Setting Tuesday, April 11, 1978, at 2:30 p.m., for public hearing to consider an exception to the existing schedule of rates, fares, and charges by the Municipal Railway to allow Boy Scouts to ride any Municipal Railway vehicle in revenue service without payment of a fare for one day only, April 22, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

- 78-0104 M Approving Contract Change Agreement No. 20 in the debit amount of \$98,500, to provide for purchase of a used engine lathe, and requesting the SFMRIC to approve and execute said change agreement under MR Contract No. 609, Muni Metro Rail Center. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0105 M Authorizing the Municipal Railway to reverse the direction of coach operation on the Forest Knolls loop portion of Line 34-Woodside.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0106 M Authorizing General Manager of Public Utilities to file supplemental budget for additional platform personnel.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

- 78-0098 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$163,561.29.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0107 GO Disapproving proposed Charter Amendment establishing a Transit Commission and a Department of Transportation, but approving further study of the concept of a Transportation Commission.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0108 GO Accepting the last delivery of coaches from Flyer Industries, Ltd. and authorizing final payment in the amount of \$14,823.30.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0109 GO Approving and requesting the Controller's concurrence in amendment of authorized signatures for PUC revolving funds.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0110 GO Approving supplemental appropriation and modification of fiscal year 1978-79 supplemental budget to reflect the realignment by the Civil Service Commission of the current position of Secretary and Assistant General Manager, Administrative.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0111 W Approving Water Department supplemental appropriation, amount \$1,229, to reflect a reduction in the PUC General Office budget resulting from the reclassification of one position.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0112 HH Approving Hetch Hetchy Water and Power supplemental appropriation, amount \$1,229, to reflect a reduction in the PUC General Office budget resulting from the reclassification of one position.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0113 HH Approving immediate replacement for Charles Gianola, Classification 5138, Hetch Hetchy Project Superintendent of Operations, retired February 28, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

COMMUNICATIONS

President Henning welcomed Commissioner John M. Sanger, who was inducted earlier in the day by Mayor Moscone and introduced him to the public, stating that he brings to the Commission an impressive background in law and planning.

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz Hetch Hetchy Electric Power Rates

Mr. Wentz stated the Board of Supervisors failed to disapprove the Hetch Hetchy electric power rate increase by a 5 to 3 vote, so the new rates will be in effect.

In line with the budget analyst's report, the Board of Supervisors recommended that revenue from the increase to the San Francisco International Airport not subject to a discount be placed in a reserve fund pending resolution of pending litigation. This is now being done and is a part of the unappropriated surplus in the budget. The Board also moved to recommend that the PUC lower Hetch Hetchy rates to the same level if and when PG&E rates are reduced. This is already PUC policy.

San Bruno Water Rates

Mr. Kenneth R. Boyd, General Manager, S.F. Water Department, and Mr. McMorris M. Dow of the City Attorney's Office, attended a

San Bruno City Council meeting March 13, 1978. The Council's position on payment of water rates seems to be softening, and any legal action by San Francisco should be delayed. The City of San Bruno is not yet in default on payment of water rates.

Water Consumption

Mr. Wentz reported that during the week of March 4 to March 10, 1978, systemwide water consumption was at 34 percent of normal. However, there was heavy rainfall during that week. This situation will have to be considered when water rates are revised.

Cable Car Advisory Committee

Mr. Wentz urged the Commission to consider appointments to the Cable Car Advisory Committee.

President Henning suggested this matter be an item on the calendar of March 28, 1978.

Trolley Buses on Market Street

By a vote of 9-0 the Board of Supervisors approved a change in policy to allow trolley bus operations to continue on Market Street. This clears the way for a public hearing on a grant application for an overhead trolley wire renovation program.

Cable Car Centennial

Mr. Wentz reminded the Commission of the California Cable Car Centennial luncheon to be held at the Mark Hopkins Hotel on April 10, 1978. Reservations and checks should be mailed to Cable Car Friends.

UMTA Administrator Richard Page

Richard Page, UMTA Administrator, was in San Francisco March 9, 1978, for a meeting unrelated to the Municipal Railway. Messrs. Dee V. Jacobs and Alan P. Steiner of the regional UMTA Office, subsequently arranged for him to inspect the cable car extension area and the Muni Metro Center.

Operator Identification Signs

Mr. Wentz stated that Muni staff would like the Commission to give additional consideration to a color combination for operator identification signs. Two mock ups were displayed by staff for examination. The Commission opted unanimously for the red and white signs.

Reorganization of Municipal Railway Management Structure

Mr. Wentz distributed to Commission copies of a memorandum from Mr. John J. Walsh, General Manager, Personnel, to the Civil Service Commission on the above subject. This memorandum calls for the establishment of new and reclassified positions included in the budget and recently freed from a freeze by the Finance Committee. The Superintendent of Maintenance position will be retitled and amended, and will be filled from a recently created list for Transit Equipment Superintendent.

The specifications for Transit Equipment Engineer will be amended; and the incumbent, Mr. Merrill R. Cohn, will continue by grant of status.

Four new classifications will be created as follows: Director of Planning, to be filled by original entrance examination; Deputy General Manager, Finance and Administration, to be filled by original entrance examination; Deputy General Manager, Engineering and Maintenance- Mr. George M. Duarte, the incumbent, will continue by grant of status; Deputy General Manager, Operations, to be filled by a combination of original entrance and promotional examinations from classes of Transportation Superintendent and Cable Car General Superintendent.

Mr. Wentz stated that at the last meeting of the Civil Service Commission the position of Supervising Fiscal Officer was established, to be filled by a combination of entrance and promotional examinations. A Grants and Fiscal Officer position was not established, but the Civil Service Commission assigned the class of Chief Accountant, to be filled from a Chief Accountant list.

Extreme care was taken to prepare the specifications in such a manner that present employees will be eligible to stand for the entrance or promotional examination as the case may be.

Mr. Wentz explained that a grant of status means that there is an incumbent in the position being reclassified. A specific action is required by the Civil Service Commission to grant continuing status to the person in the position. Anyone may take an original entrance examination. Promotional examinations can be taken only by employees in specific classifications. If you combine the two, the same examination is given, but two lists are established. The appointing officer must exhaust the promotional list before reaching candidates on the entrance list.

Commissioner Peter McCrea asked if this method is compatible with the rule of 3, and Mr. Wentz replied that it is not necessary to have 3 people on a list.

Following discussion among Commission and staff, Commissioner John M. Sanger asked the role of the PUC in the matter.

President Henning replied that the reorganization plan is in many ways a creation of the Commission. The City Attorney has ruled it a matter for a public meeting. The three positions which are the subject of a memorandum to the Civil Service Commission should be studied, and for each position the Commission should arrive at a decision as to how the examination should be conducted. A recommendation will be made to Mr. Walsh, who will make the recommendation to the Civil Service Commission. Civil Service will draft an ordinance to modify the recommendations, which will be submitted to the Board of Supervisors.

Commissioner McCrea asked if the job descriptions would include any qualified employees from within the organization on an entrance examination, and if the job descriptions are such that those people temporarily filling the positions can sit for those examinations.

Mr. Wentz replied in the affirmative.

Commissioner H. Welton Flynn asked if the matter were to be on the Civil Service Commission calendar for March 15, 1978. Mr. Wentz replied that this was so, and that timing is a problem. If Civil Service does not act on March 15, 1978, these positions will not be subject to salary standardization for the coming fiscal year. Mr. Wentz apologized for the time schedule, stating that Civil Service had produced the document this morning.

Commissioner Sanger said there should either be open competition, or it should be assumed that one of the principles of Civil Service is to reward previous employment with the City.

Mr. Wentz stated the three positions involved are Director of Planning; Deputy General Manager, Finance and Administration; and Deputy General Manager, Operations. These positions must be filled by examination.

Commissioner McCrea moved, Commissioner Flynn seconded, and the Commission unanimously voted to continue the grant in status for the positions of Deputy General Manager, Engineering and Maintenance; and Transit Equipment Engineer.

Commissioner McCrea moved, Commissioner Sanger seconded that the three positions in question be filled by entrance examinations.

Secretary Romaine A. Smith polled the Commission, the vote being as follows: Commissioners Henning, Pilcher, Flynn voted "no"; Commissioners McCrea and Sanger voted "aye".

Commissioner Flynn moved, and Commissioner Pilcher seconded that the positions in question be filled by a combination of promotive and entrance examinations (creating two lists).

Secretary Romaine A. Smith polled the Commission, the vote being as follows: Commissioners Henning, Pilcher, Flynn voted "aye"; Commissioners McCrea and Sanger voted "no". President Henning directed that a report of the vote should be forwarded to Mr. Walsh.

Commissioner Pilcher requested that an item regarding Commission policy on this subject be calendared for the Commission meeting of March 28, 1978. President Henning said he concurred.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner McCrea said the Commission received a letter from Curtis E. Green, General Manager, Municipal Railway, addressed to Mr. Wentz concerning the Passenger Service Report Summary for the month of February, 1978. Commissioner McCrea read the letter, which is attached hereto and made a part of these minutes. Commissioner McCrea said this is a tribute to Mr. Green; Mr. Rod Bartholomew, Acting General Manager, Operations and Administration; Mr. Lawrence B. Martin, President, TWU Local 250A; and the operators. He said this should be published in the newspaper as too often people gloss over this type of information.

Commissioner McCrea said San Francisco is facing an increase of 5,000 sq. ft. of office space in the next 4 or 5 years, and an increase of 200,000 new employments is contemplated. He requested that the planning staff prepare a report for the Commission as to what Muni is doing in service planning to cope with this type of increase in downtown employment, and what Golden Gate Transit, BART, AC Transit and SamTrans are doing to cope with additional patrons coming from outlying communities.

Commissioner Sanger requested that Muni staff report on the effect of the sewer construction project in the northern part of the City on the Belt line tracks. This report should consider the potential in terms of transit service in that area, and a position regarding continuation of the tracks. Mr. Wentz said a joint committee of planners, traffic engineers, Muni personnel and Port officials are studying this subject, and a report is expected.

Resolution No. 78-0092--Public Hearing to consider grant application with UMTA for Municipal Railway trolley coach overhead wire reconstruction and replacement; and line extensions, interconnections and new routes.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power, stated that Hetchy Hetchy recommends that the PUC apply for a grant from UMTA in the amount of \$10,153,600 as the Federal share of a trolley coach overhead wire program. Reconstruction and replacement items will cost \$9,803,000. Construction of facilities for rerouting the 41 trolley coach line inbound on Folsom Street and other turnbacks and interconnections will cost \$1,952,000. Routing of Lines 3,5, and 6 to the Transbay Terminal will cost \$114,000. There is also an item for contingencies of \$937,000. The total project budget is \$12,692,000.

Commissioner Sanger asked if the proposals for Lines 41,3,5, and 6 are consistent with the recommendations of the POM study. Mr. Moore replied in the affirmative.

President Henning opened the meeting to the public.

Mr. Norman Rolfe, Transportation Chairman of San Francisco Tomorrow, stated that his organization is happy to support the grant application.

Resolution No. 78-0096--Approving modification No. 1 in debit amount of \$0.00 to cover additional repairs to Crystal Springs Pump Station under WD Contract No. 1640- Renovation of Crystal Springs Pump Station.

Mr. Boyd explained that the Department had an item for centerlining pipe in back of the Pump Station. It was found that the pipe had previously been relined. However, there were other small items which could be accomplished for the betterment of the station, and the cost came out even.

Resolution No. 78-0099--Approving the third supplemental agreement in modification of lease with Santa Clara Sand and Gravel Co., which provides for modification of performance bond provisions of the lease; furthermore, authorization to terminate lease in event of non-compliance.

Mr. Boyd reported that the Water Department came before the Commission on January 25, 1977, and stated that Santa Clara Sand & Gravel Co., was unable to keep up with certain phases of the lease. The lease was modified to change the due dates for payments of monthly and annual royalties, to extend completion dates for certain phases of the recreational development, and to increase the faithful performance bond requirements.

The third supplemental agreement protects the City, and will allow lessee to be successful in obtaining an increased performance bond. Also, City is authorized to terminate the lease in event lessee fails to procure and submit bond to City by April 14, 1978.

ITEM NO. 18--Review of Water Department's cancellation of the land use permit for parking issued to Fremont Unified School District.

Mr. Boyd explained that the Water Department cancelled a land use permit for parking issued to Fremont Unified School District due to receipt of notice of termination of insurance in December, 1976.

The District is requesting that the permit be reinstated on a no fee basis. The Water Department is willing to issue a new permit under the terms of Resolution No. 74-0390, which would include payment of a fee of \$58 per month. The latest certificate of insurance from the District is unsigned. Mr. Boyd said the District has been asked to terminate occupancy, but is still using the land.

Mr. Verne L. Smutz, Assistant Superintendent, Fremont Unified School District, said the District must maintain continuous insurance coverage. He said the required letter was not sent on the required date because of a turnover of business managers and other personnel in December, 1976.

Mr. Levinson of Levinson Bros., Insurance Brokers, said there has been no lapse of coverage from July 1, 1975.

Mr. Tony Nieves, Administrative Assistant for the District, stated that at the time of notice of termination of insurance two people left the District staff and two insurance companies were involved.

Mr. Boyd said the right-of-way parcel is for limited use, and involves about 8600 sq. ft., or about 1/5 of an acre. The District does maintain it and keep it clean. The Water Department pays taxes, which amounted to \$27 for the last fiscal year.

President Henning stated rent should be effective as of the date of the new permit.

On motion of Commissioner Pilcher, seconded by Commissioner Flynn, the Commission unanimously voted that the Water Department give the Fremont Unified School District two weeks to accept terms of \$58 per month and provide minimum insurance coverage, or the City Attorney will be authorized to terminate occupancy.

Resolution No. 78-0105--Authorizing the Municipal Railway to reverse the direction of coach operation on the Forest Knolls loop portion of Line 34-Woodside.

Mr. Green reported that after residents of the area complained about the noise of buses going up hill, Muni staff has recommended reversing the route. This would make the uphill grade less steep and would permit the use of AM general buses which are smaller and quieter.

Commissioner Sanger asked if people along the route have been notified. Mr. Tom Matoff replied that over 100 people attended a meeting on the matter, and it was also mentioned at a Midtown Terrace meeting.

Commissioner Pilcher noted that the loop can be traversed in five minutes.

Resolution No. 78-0106--Authorizing General Manager of Public Utilities to file supplemental budget request for additional platform personnel.

Mr. Wade Hudson of the San Francisco Muni Coalition stated there has been a restriction on the number of operators hired. This has resulted in increased use of overtime, missed runs due to lack of operators, and a decrease in the quality of service. Mr. Hudson urged the Commission to take action to see that this restriction is lifted so that more operators would be available.

President Henning stated restrictions are imposed by the Mayor's office, and Commissioner McCrea suggested directing a letter to the Mayor's Office stating this is causing problems with Muni service.

Mr. Green said Muni is authorized 1862 drivers, and is short by 54. If an operator retires and has six months sick pay and 2-1/2 months vacation accumulated, he cannot be replaced for 8-1/2 months. He suggested that the Commission ask the Mayor and the Board of Supervisors to exclude the hiring of Muni operators from this requirement.

Mr. Green stated the total number of operators leaving for all reasons averages about 17 per month. The figure 54 refers to positions not filled.

Commissioner McCrea stated that 1862 operators plus others must be hired, and Mr. Green advised that operator hours are budgeted-- 4.3 million hours currently.

Three years ago, 4.5 hours were requested, and there has been a reduction in the number of hours allotted each year since.

Mr. Wentz pointed out that March 15, 1978, is the last day for filing a supplemental budget.

Commissioner McCrea moved, Commissioner Flynn seconded, and the Commission unanimously adopted Resolution No. 78-0106, directing staff to prepare and submit to the Mayor's Office on March 15, 1978, a supplemental budget for additional platform personnel to meet the number of runs currently budgeted.

Staff was also directed by the Commission to send a letter to the Mayor's Office requesting approval of replacement of operators more expeditiously, and to exclude Muni from the policy of withholding replacement of operators until accumulated sick pay and vacation time of retiring operators is used up.

Resolution No. 78-0107-- Disapproving proposed Charter Amendment establishing a Transit Commission and a Department of Transportation, but approving further study of the concept of a Transportation Commission.

Following discussion among Commissioners, and Mr. Wentz, Commissioner McCrea moved, Commissioner Sanger seconded, and the Commission voted unanimously to disapprove the proposed Charter Amendment in its present form, but approved further study of the concept of creating a Department of Transportation responsible for all transportation in San Francisco under a Transportation Commission.

THEREUPON THE MEETING ADJOURNED: 5:10 p.m.

ROMAINE A. SMITH
Secretary
Public Utilities Commission

APR 19 1978

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:35 P.M.

March 28, 1978

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:35 p.m.

Present: Commissioners John F. Henning Jr., Claire C. Pilcher,
H. Welton Flynn, Peter McCrea, John M. Sanger

The minutes of the special meeting of March 7, 1978, were approved with the following amendments:

On page 78-49, third line from top of page, the word "sensitive" was changed to "sensitivity".

On page 78-49, the paragraph referring to parking tax was amended to read as follows, "Commissioner McCrea referred to the prevailing level of the parking tax, and suggested there be a comparable increase in the parking tax to maintain parity between private auto ridership and public transit."

On page 48-52, copy of letter read by President Henning to be attached and made a part of the minutes.

The minutes of the regular meeting of March 14, 1978, were approved as amended to change 5,000 sq.ft. to 5,000,000 sq.ft. on page 78-53.

RESOLUTION
NO.

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0115 W Reset date of public hearing to April 25, 1978 to consider revision of schedules of rates and charges to be charged for water service in San Francisco and suburban areas.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0116 H Accepting as satisfactorily completed work under HH Contract No. 517, K-Line -Transit Power Facilities, Street Lighting and related work; approving credit modification of \$330.85; and authorizing final payment of \$15,851.70 to Amelco Electric, Contractor. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0117 H Accepting as satisfactorily completed work under HH Contract No. 553, Replace, Repair and Paint Steel Trolley Poles on Mission Street; approving credit modification of \$11,091.07; and authorizing final payment of \$8,053.84 to Mahoney Electric Company, Inc., Contractor.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

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On motion of Flynn, seconded by Sanger, the following resolution was adopted:

- 78-0118 H Accepting as satisfactorily completed work under HH Contract No. 554, Construction of No. 47 Trolley Coach Loop at Army Street; and authorizing final payment of \$6,178.54 to Mahoney Electric Co., Inc., Contractor.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0119 H Approving supplemental appropriation, amount \$31,963, to provide funds for fixed charges for the increased cost of fire insurance, and maintenance of roads and trails- Raker Act for fiscal year 1977-78.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

- 78-0120 H Approving Department of Public Works' proposal for construction of new street lighting on Golden Gate Avenue, Van Ness Avenue to Parker Street; and on Fell Street, Van Ness Avenue to Steiner Street.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

- 78-0121 H Approving and authorizing the General Manager of Public Utilities to execute the letter-agreement between City and PG&E dated March 9, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0122 W Authorizing bid call for WD Contract No. 1723-Renovation of Summit Pump Station. Estimated Cost of Work,, \$37,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

- 78-0123 W Approving supplemental appropriation, amount \$98,832, to provide funds for replacement of Waukesha Diesel Engine.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

- 78-0124 W Approving supplemental appropriation, amount \$3,000, to provide funds for temporary salaries, differential pay, to comply with Section IV B of the 1977-78 Salary Standardization Ordinance.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Sanger, the following resolution was adopted:

- 78-0125 W Authorizing the City Attorney to have judgment entered under Alameda Superior Court Action 464 919-5, Wagler vs CCSF, establishing the boundary between sections 20 and 29, respectively, of Township 4 South, Range 2 East M.D.B. & M., situated in the County of Alameda; and that the CCSF pay the amount of \$750 to reimburse the Estate of Myron Harris for costs incurred in the above-entitled action.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0126 M Approving Tuesday, May 9, 1978, at 2:30 p.m., in Room 282 City Hall, San Francisco, as the time and place for a public hearing to consider Municipal Railway Grant applications for National Mass Transportation Act funding for operating purposes.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0127 M Authorizing the General Manager of Public Utilities to execute the required documents to obtain and expend transit aid funds for the sole benefit and use of the Municipal Railway and recommending to the Mayor, Board of Supervisors, and the Metropolitan Transportation Commission that no funds, deposited in the local Transportation Fund of CCSF be allocated under Article 4.5 of TDA, as amended, and that all funds reserved by MTC for Article 4.5 of TDA as amended be allocated to the Municipal Railway; and that all funds deposited in the local Transportation Fund of the CCSF and reserved by MTC for Article 3 of TDA, as amended, be allocated to the Municipal Railway.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0128 M Awarding MR Contract No. 644 in the net amount of \$667,339 (including options) to Homer J. Olsen, Inc., for M-Line Extension- Power Facilities, Track Extension and Sewer Replacement and Enlargement-Broad Street and San Jose Avenue. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0129 M Endorsing the medical examination program for drivers as developed with San Francisco General Hospital, and instructing the General Manager of Public Utilities and the General Manager of the Municipal Railway to administer this program within the constraints of the currently budgeted funds.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger.

On the basis of the above, it is recommended that the following

recommendations be made: (1) The Commission should be authorized to

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On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0130 M Extending the revised disciplinary procedures as agreed upon and written on July 22, 1977, by the Municipal Railway and TWU Local 250-A for another six-month trial period.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0131 M Designating the members of the Citizens Advisory Committee to monitor the Cable Car System Rehabilitation Program.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0132 M Authorizing the General Manager of the Municipal Railway to arrange Municipal Railway participation in proposed "no fare" days on April 9 and 10, 1978, on the 61-California Line as part of the observance of the 100th anniversary of inauguration of cable car service on California Street; and commending Cable Car Friends, Bank of America and others associated with the California Street Cable Car Centennial observance.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0133 M Approving write-off of Municipal Railway uncollectible accounts receivable more than 90 days past due, month of February, 1978, amount \$694.55; and approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount of \$4,160.56, month of February, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0134 M Approving payment of claims, amount \$50,863.20, from Municipal Railway revolving fund, month of February, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Sanger, the following resolution was adopted:

- 78-0114 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$20,750.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0135 PUCC Approving the Purchaser's selection of ITEL Corporation to furnish and install a computer system for the Public Utilities Commission- Contract Proposal #804, subject to approval of the Urban Mass Transportation Administration.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0136 GO Confirming transfer of funds under \$10,000, and allotment requests, submitted by departments under PUC jurisdiction during the Second Quarter 1977-78, totalling \$8,146,780.64

Vote: Ayes-Henning, Pilcher, ~~McCrea~~, Sanger

REPORT OF THE GENERAL MANGER- Mr. John B. Wentz Water Consumption

Mr. Wentz gave Commissioners copies of systemwide water consumption report, which indicates consumption is down 36 percent from "normal" as determined from base year 1976.

New Muni Uniforms

An additional two weeks will be required for obtaining public reaction to the proposed new uniform due to a delay in obtaining a jacket in the proper color from the manufacturer. It is hoped the matter can be reported to the Commission on April 25, 1978.

Periodic Claims Report

Mr. Wentz stated he hoped the Commission would approve the format developed by Mr. Reed J. Jordan, Chief Claims Agent, Municipal Railway, for a quarterly report on claims settlements.

Mayor's Request for Anticipated Muni Service Levels under Jarvis/Gann Property Tax Initiative

Mr. Wentz stated that at the Commission meeting on April 11, 1978, staff will present several alternative levels of service, in order that the submission to the Mayor will meet with Commission approval.

Request for Proposal for Fare Increase EIR

The Request for Proposal for a fare increase EIR will be calendared for the Commission meeting of April 11, 1978. Meanwhile, the staff is closely following a bill in the State Legislature which would remove the EIR requirement for a transit fare increase. The matter will be placed on calendar for consideration of recommendation to the State Legislative Committee that San Francisco officially support such a bill.

Muni Billboard Displays

Mr. Wentz gave Commissioners pictures of two Muni billboard displays which have been up for the past 30-days. He said they would be up for another 20-days at a fraction of the present cost. All calls have been favorable regarding this attempt to spread the Muni message.

On motion of Mr. ... seconded by Mr. ... the following
resolution was adopted:

Resolved, That the Commission be authorized to ...
for the ...
\$500, subject to ...
... ..

That,
On motion of Mr. ... seconded by Mr. ... the following
resolution was adopted:

Resolved, That the Commission be authorized to ...
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Votes: Ayes ... Nays ...

REPORT OF THE COMMISSION ON THE ...

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Public Opinion

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Appropriate Name for Municipal Railway

Mr. Wentz stated letters have been received from CAPTrans, and from David Feinstein, President, Board of Supervisors, concerning what Muni's name is or should be. Mr. Wentz gave pictures to the Commission of plaques at Woods Center and at the Cable Car Shop which show the name to be "San Francisco Municipal Transit System."

He said that in researching the history of the name it was noted that when Mr. James K. Carr was General Manager of Public Utilities, and Mr. John M. Woods was General Manager, Municipal Railway, there was an inclination to change the name to San Francisco Municipal Transit System, as being more descriptive of the system.

A resolution dated March, 1970, having to do with the Rules Book of Platform Employees, carries the name Municipal Transit System. At the time plans for the Woods Center were drawn, there was an instruction that the plaques be made with that text on them. To re-do the plaques would cost as much as \$1500.

President Henning directed Mr. George E. Baglin, Utilities General Counsel to determine the proper name, and to make a response to the letters with copies to the Commission.

Cable Car Items

Two cable car items on the calendar of the Streets and Transportation Committee of the Board of Supervisors on March 23, 1978, were put over.

The proposed traffic plan in the Fisherman's Wharf area should be available on April 11, 1978.

California Association of Publicly Owned Transit Systems (CAPOTS)

Mr. Wentz reported that he will attend a meeting of this organization in Sacramento on April 6 and 7, 1978. The major item on the agenda is State Legislation on transit financing.

Report of Board of Supervisors' Budget Analyst

President Henning said he received this report March 25, 1978. Mr. Wentz stated a meeting was held on March 27, 1978, with PUC staff and ten members of the budget analyst's staff. The Public Utilities Department has been "mandated" by the budget analyst's office, which is controlled by the Chairman of the Finance Committee, to respond within five days. A proposed draft of this response will be submitted to the Commission on March 31, 1978.

Commissioner Claire C. Pilcher said it is important that it be made clear in the response that of five Commissioners, only two were consulted in any way. A position should be taken as to how the Commission as a whole wishes to respond.

Mr. Wentz said that Commissioners Pilcher and Ganger sat through about six hours of the meeting with the budget analyst's staff.

President Henning said the Commission will participate in the response.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner Peter McCrea said it appears that Muni is suffering some failed equipment missed runs because of diesel equipment being held in the yard in an effort to meet safety standards. He requested a full briefing at the Commission meeting of April 11, 1978, on the matter of missed diesel runs and CHP safety inspections.

Commissioner Pilcher asked if there is a way to anticipate the amount of time required by a particular job, and how many such jobs could generally be expected. Perhaps manpower is being distributed unfavorably, she said.

Mr. Curtis E. Green, General Manager, Municipal Railway, replied that shop management has been requested to submit a program for management of this maintenance problem.

Commissioner McCrea requested that staff submit a graph of six key items, such as the number of road calls, CHP citations, missed runs, etc.

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Commissioner McCrea suggested that an outside consultant, such as a bank, review the handling of coins at Muni.

Mr. Wentz said he would check to see if this matter could be coordinated with the effort being made by Mr. Roger Boas, Chief Administrative Officer, in meter collections. To hire an outside consultant, he said, would take three months.

Commissioner Pilcher said there has been a problem for years on cable cars in that passengers will not force conductors to take fares. She suggested that fares be collected while patrons are waiting to board the cars.

Mr. Rod Bartholomew, Acting General Manager, Operations and Maintenance, said Muni pre-collects fares at Beach and Hyde Streets. He said that, subject to necessary manpower, pre-collections will be made at all cable car terminals.

Mr. Wentz added that the new terminal at Fisherman's Wharf will have turnstiles and pre-collection.

Commissioner H. Welton Flynn suggested, as part of his professional training, that an audit of the handling of coins at Muni be performed by an outside firm. He said an independent audit should not be expected from insiders; and bankers are not equipped to perform audit procedures. An outside professionally skilled consultant is needed to ascertain if the system is working.

PUBLIC HEARING--To consider revision of schedule of rates and charges to be charged for water service in San Francisco and suburban areas.

Mr. Wentz gave Commissioners a memo concerning the effect of electric rate adjustment on water rates, as it has been suggested that PG&E rates be charged to all Water Department facilities not only outside San Francisco, but also inside the City.

Mr. Boyd reported that the Water Department caused a study of water rates, including lifeline rates, to be made pursuant to the desire of the Commission and the Board of Supervisors last year.

The Brown and Caldwell Study was presented to the Commission January 10, 1978, and was referred to the Water Department for analysis and recommendations.

Drought rationing was suspended January 24, 1978, and about 1/2 of the drought surcharge was discontinued beginning March 1, 1978.

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The Brown and Caldwell Study indicates that lifeline rates which would stand the test of litigation would require a complex procedure of establishing the need of the person requesting lifeline rates, and the cost would be tremendous. The ultimate benefit to small users would be 40¢ to 70¢ per month.

Mr. Boyd stated there is a method which encourages saving of water through fair procedures--the single rate. Single homes would gain the greatest advantage. The break-even point is about 400 units a month. Approximately 5 percent of the customers in San Francisco use this amount or more. This method would conserve water, and could delay the need for future large capital expenditures for large pipelines, large reservoirs, etc.

Mr. Boyd stated that the Department is not selling the anticipated 85 percent of normal water. He said if rates were set today, he would have to recommend an increase of 6.5 percent overall, which would raise the recommended single rate in San Francisco to 39.4¢ per 100 cu. ft. He suggested that the matter be re-publicized and a final decision be made in a month.

President Henning directed that the hearing on schedules of rates and charges for water service in San Francisco and suburban areas be continued to April 25, 1978.

Responding to a question from Commissioner McCrea, Mr. Baglin said it is not necessary to publish the exact amount of the increase.

President Henning then opened the meeting to the public.

Mr. Arthur S. Hecht, representing the Senior Community Advisory Council, spoke in favor of lifeline rates. He suggested a lifeline rate based on usage. If usage is exceeded, he suggested 4 units bi-monthly-- the overage is billed at the regular rates.

Mr. Hecht then read a statement, copy of which is attached and made a part of these minutes. He said sewer service charges are particularly onerous to the residential user, and do serve as a brake on water usage.

Commissioner McCrea pointed out that out of 100,000 people in a reasonably applied lifeline rate concept, these rates are being offered to fewer than 10,000 because they have separate meter service.

Following further discussion among Commissioners, staff, and Mr. Hecht, President Henning directed that the matter be noticed for April 25, 1978, and not be limited to a particular rate increase.

Resolution No. 78-0118--Accepting as satisfactorily completed work under HH Contract No. 554, Construction of No. 47 trolley coach loop at Army Street; and authorizing final payment of \$6,178.54 to Mahoney Electric Co., Inc., Contractor.

Commissioner John M. Sanger said this was the third contract acceptance in which there was some inability of the contractor to proceed on schedule because of subsequent modifications of what was desired by the Department.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power, stated there were some changes in Muni's concept of the loop.

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Mr. Green stated that before the construction work buses would go to the Potrero loop and wait on Army Street. The freeway overpass was constructed with a stipulation that after construction, the buses would return. However, when overhead work was finished and buses started to return to the former terminal, the traffic configuration and amount of traffic made it a safety hazard. Resident had been promised buses would return to the former terminal. However, to return would have meant exposing passengers and buses to hazardous conditions.

Resolution No. 78-0120--Approving Department of Public Works' proposal for construction of new street lighting on Golden Gate Avenue, Van Ness Avenue to Parker Street; and on Fell Street, Van Ness Avenue to Steiner Street.

Commissioner Sanger asked how it is possible to increase illumination and decrease power consumption.

Mr. Moore replied this is possible by using the new high pressure sodium vapor system. He said the entire city will eventually be lighted by this system.

Resolution No. 78-0121--Approving and authorizing the General Manager of Public Utilities to execute the letter-agreement between City and PG&E dated March 9, 1978.

Commissioner Sanger asked Mr. Moore if Hetch Hetchy is still buying supplementary power and energy.

Mr. Moore replied that Hetch Hetchy is buying practically nothing this year, and there will be a fuel cost adjustment downward.

Commissioner McCrea said there had been discussion of the concept of lag in fixing Hetch Hetchy rates to PG&E rates when Hetch Hetchy raises rates after PG&E has raised their rates. He asked if the same thing is true when rates are lowered, and Mr. Moore replied affirmatively.

Resolution No. 78-0125--Authorizing the City Attorney to have judgment entered under Alameda Superior Court Action 464 919-5, Wagler vs CCSF, establishing boundary between sections 20 and 29, respectively, of Township 4 South, Range 2 East M.D.B. &M., situated in the County of Alameda; and that CCSF pay \$750 to reimburse Estate of Myron Harris for costs incurred in above-entitled action.

Commissioner Sanger asked why three in-house surveys were incorrect.

Mr. Boyd replied that surveys in the back lands are difficult, as it is sometimes necessary to go miles for an absolute location point which everyone agrees is a true mark. He said in one survey someone mistook a flag pole for a pipe. Also, during court action there was some argument. The third survey may have been unnecessary but was conducted for greater assurance.

Commissioner Sanger stated it looks as if something is wrong with record keeping regarding land ownership. He said Department surveyors started from the wrong point, and Water Department is giving up a piece of land.

Mr. Boyd replied that if the final survey is correct it did not belong to the Department in the first place. He said the records go back to the 1870's, and need a thorough revision. They are

extensive and not always distinct in the reading. These lands are substantially grazing lands and are out in the wilderness.

President Henning directed staff to submit a supplemental appropriation to update land records.

Resolution No. 78-0127--Authorizing the General Manager of Public Utilities to execute the required documents to obtain and expend transit aid funds for sole benefit and use of Municipal Railway; and recommending that no funds deposited in local Transportation Fund of CCSF be allocated under Article 4.5 of TDA, as amended, and that all funds reserved by MTC for Article 4.5 of TDA, as amended be allocated to the Municipal Railway; and that all funds in local Transportation Fund of CCSF and reserved by MTC for Article 3 of TDA, as amended, be allocated to Municipal Railway.

Mr. Green explained that the State of California adopted the TDA of 1971, also known as SB 325. This tax established a sales tax on gasoline and fuels roughly equivalent to 1/4 percent of the general sales and use tax. MTC allocates all claims under TDA. The Municipal Railway has a claim for \$9,120,000 as its share of monies collected in San Francisco and surrounding counties.

There are four claimants--Municipal Railway, BART, Golden Gate Bridge and Highway and Transportation District, and A/C Transit District. The Act was amended in 1977-78 to allow MTC to reserve up to 5% of TDA funds to be set aside for "community transit services". These are not new monies, but monies off the top. Article 3 of TDA has to do with bicycle appointments in the counties. Muni is asking that the total of these monies be given to Muni for operations and capital costs. Approval is required from the Commission and the Board of Supervisors.

Commissioner McCrea asked if the application could be made more concise in the future. Mr. Wentz stated the contents have been specified by MTC.

Commissioner Sanger inquired about the method of establishing the total amount of money for which Muni is eligible.

Dr. John M. Christensen, Assistant General Manager, Finance, explained that Muni tries to achieve three (3) major settlements each year. The first is with A/C Transit in which reverse travel and their service to Treasure Island is recognized. With Golden Gate Bridge and Highway District there is some reverse flow on ferry boats and a stop in San Francisco at the bridge.

He said Muni is never able to reach an agreement with BART, as they always want more funds than those to which staff feels they are entitled. He said \$1.8 million goes to BART for regional services. This year \$246,000 was received from San Mateo County. San Francisco has not been successful in obtaining anything from other counties, but establishes a claim in the event monies may be received in the future. The balance of the 1/4¢ tax raised in San Francisco then comes to Muni.

Resolution No. 78-0128--Awarding MR Contract No. 644 in net amount of \$667,339 to Homer J. Olsen, Inc., for M-Line Extension- Power Facilities, Track Extension and Sewer Replacement and Enlargement- Broad Street and San Jose Ave. (TIP)

Commissioner Sanger inquired if the award includes any minority sub-contractors.

Mr. George L. Newkirk, Contracts Compliance Officer, said it includes about 7 percent minority participation by sub-contractors, and 15 percent minority participation by truckers. The basic requirement is 25 percent for minority sub-contractors, suppliers, or other services. Each contract contains detailed documentation on what is required. With reference to professional service firms, all contractors prior to being interviewed are required to furnish an affirmative action plan.

Commissioner Sanger asked if extra credit is given for special efforts, or if the award is given to the lowest bidder.

Mr. Newkirk replied that no special consideration is given at present, but award is made to the lowest and responsive bidder.

Commissioner Sanger requested that minority participants be identified in the list of bidders on calendar items.

Commissioner Flynn stated that contracts are reviewed by Mr. Newkirk prior to coming before the Commission, and that he has done a good job.

Mr. Wentz added that the Commission and the Board of Supervisors have just approved acceptance of a grant from UMTA for a Minority Business Enterprise program. San Francisco has the only UMTA approved MBE program in California, and there are only 2 or 3 others in the United States.

Resolution No. 78-0129--Endorsing the medical examination program for drivers as developed with San Francisco General Hospital, and instructing the General Manager of Public Utilities and the General Manager of Municipal Railway to administer program within the constraints of currently budgeted funds.

President Henning asked if the proposed medical examination program meets with the approval of the drivers. Mr. Lawrence B. Martin, President, TWU Local 250-A, stated it does.

Mr. Green introduced Dr. Richard H. Barr and Dr. Selma Dritz of San Francisco General Hospital.

Commissioner McCrea asked if there is a need to provide approved positions to cover losses due to sick leave and people who fail examinations.

Mr. Green said the drivers are at present being given the same type of examination by the State to obtain a license. By having San Francisco General Hospital do the examinations the information will be given to Muni.

Resolution No. 78-0130--Extending the revised disciplinary procedures as agreed upon and written on July 22, 1977, by the Municipal Railway and TWU Local 250-A for another six-month trial period.

Mr. Rod Bartholomew said staff has a program, they would like to put into effect 4/1/78, to address miss-out difficulties.

Following discussion among Commission and staff, President Henning directed that staff change to the proposed miss-out provision for two weeks. On April 11, 1978, staff will report back to the Commission on that experience. A report on the first six-month experience in all categories will be presented at that time, and a

decision will be made on whether or not to extend the revised disciplinary procedure for another six-month trial period.

Resolution No. 78-0131--Designating the members of the Citizens Advisory Committee to monitor the Cable Car System Rehabilitation Program.

Romaine Smith, Administrative Secretary, PUC, polled the Commission, and the following citizen representatives were designated: Commissioner Henning designated Robert Wilhelm, Commissioner Pilcher designated Ann Fogelberg, Commissioner Flynn designated Frieda Klussmann, Commissioner McCrea designated Virgil Caselli, and Commissioner Sanger designated Norman Rolfe.

President Henning directed that the Secretary notify those individuals designated.

Resolution No. 78-0114--Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$20,750.

Commissioner Sanger said the second claims indicates the driver had an avoidable accident in each of the three past years, which is a repetitive pattern, and a disturbing statistical event. Mr. Green said it would be necessary to look at the type of accidents.

Commissioner Sanger requested that Mr. Green bring to the Commission whatever information is found.

Commissioner McCrea asked if there is a system which monitors the number of avoidable and unavoidable accidents. Mr. Green replied that the Safety Department assigns one employee, full time, to determine type, place and number of accidents. A coding system is being put together which will identify the operator who appears to be accident prone. Each year a statistician has been requested in the budget.

Mr. Martin explained that statistics in San Francisco are different than in other cities. He said one accident per year here indicates a better than average driver.

Commissioner Sanger said we should have a standard based on our own experience.

Mr. Green said this type of information is being developed. Commissioner Pilcher asked about the status of CHP inspections, and what progress is being made.

Mr. Green said there has not been an inspection since the last report. He said staff of Muni will set up their own inspections, and that safety problems are being checked every night. According to the maintenance staff, if a CHP inspection were made "today", no bus would be grounded for a safety problem.

Commissioner Pilcher requested that Commission receive a maintenance report every two weeks.

President Henning asked that Commission be advised by telephone when CHP is making another inspection.

Resolution No. 78-0135--Approving the Purchaser's selection of the Itel Corporation to furnish and install a computer system for the Public Utilities Commission- Contract Proposal #804, subject to approval of the Urban Mass Transportation Administration.

Mr. C.D. Collins, Director, PUC Computer Center, explained that the Itel Corporation manufactures its own computers. He said this is a unique procurement as the Department obtained complete conversion as part of the bid package.

At 4:45 p.m.- Commissioner Flynn excused from the meeting.

Responding to a question from Commissioner McCrea, Mr. Collins said the cost of conversion was \$75,000 and that it would probably cost \$500,000 to have the Itel Corporation look at everything.

President Henning inquired as to the Commission's role in the selection.

Dr. Christensen explained that the Commission does not normally look at purchases, but this represents an expenditure of \$1.5 million, and although the Purchaser approves the package, staff did not think it was appropriate for him to proceed without consideration by the Commission.

President Henning added that legally the Purchaser has the authority to make this decision.

ITEM NO. 31--Discussion of Commission policy regarding hiring of top management staff.

Following discussion among Commission and staff, Commissioner McCrea requested that Mr. Baglin abstract those sections of the Charter having to do with this matter, and send an opinion to the Commission. Commissioner Henning added that all past City Attorney opinions should be included.

Commissioner McCrea also requested that Mr. Wentz make a recommendation to the Commission on what he thinks Commission policy should be.

Mr. Maurice Klebolt, President, CAPTrans, asked who determines "grant-in-status". Mr. Wentz replied that is a Civil Service matter.

Commissioner McCrea also asked that the report include Civil Service regulations and the rights and responsibilities of Commission's staff. He also would like to know how the performance of upper level management positions is being evaluated. He said he doesn't think the grant-in-status procedure is the way to determine if an employee is doing a good job, but that upper level management performance should be appraised.

President Henning directed that a report on this matter be on the PUC agenda in an amount of time most appropriate.

THEREUPON THE MEETING ADJOURNED: 5:00 p.m.

ROMAINE A. SMITH
Secretary

President Kennedy asked that Commission be advised by telephone when CUP is making further recommendations.

Page 1

Resolution No. 70-015 - Commission the recommendation that it be on of the that Commission to discuss and consider a proposed action for the United Nations Commission on International Law, subject to approval of the House and Senate before the President.

Mr. C. D. Collins, Director, New England Council, explained that the Intel Commission recommendation is in accordance with the Bill. This is a serious recommendation by the Commission before the Commission as part of the Bill.

At 1:15 P.M. Commission to the Executive Committee meeting.

Resolution No. 70-015 - Commission the recommendation that it be on of the that Commission to discuss and consider a proposed action for the United Nations Commission on International Law, subject to approval of the House and Senate before the President.

President Kennedy indicated he is the Commission's role in the selection.

Of Commission's efforts to find a Commission does not appear to be a possibility. The Bill Commission to discuss and consider a proposed action for the United Nations Commission on International Law, subject to approval of the House and Senate before the President.

President Kennedy asked that Commission be advised by telephone when CUP is making further recommendations.

Page 2

Text of Commission of Commission's Bill regarding United States Commission on International Law.

President Kennedy asked that Commission be advised by telephone when CUP is making further recommendations.

Commissioner asked that Commission be advised by telephone when CUP is making further recommendations.

Mr. Justice Black, President Kennedy, asked and determined "President Kennedy" Mr. Justice Black that a Bill before the President.

Commissioner asked that Commission be advised by telephone when CUP is making further recommendations.

President Kennedy asked that Commission be advised by telephone when CUP is making further recommendations.

President Kennedy asked that Commission be advised by telephone when CUP is making further recommendations.

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:35 P.M.

April 11, 1978

MAY 1 1978

DOCUMENTS DEPT.
S.F. PUBLIC LIBRARY

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:35 p.m.

Present: Commissioners John F. Henning, Jr., Claire C. Pilcher,
H. Welton Flynn, Peter McCrea, John M. Sanger

Discussion preceding adoption of resolutions is attached.

RESOLUTION

- | <u>NO.</u> | |
|------------|--|
| | On motion of Pilcher, seconded by McCrea, the following resolution was adopted: |
| 78-0138 GO | Directing staff to include in the minutes points of view expressed during discussions and public comments.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger |
| | On motion of McCrea, seconded by Sanger, the following resolution was adopted: |
| 78-0139 HH | Withholding final payment on HH Contract No. 529 until the case is settled.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger |
| | On motion of McCrea, seconded by Flynn, the following resolution was adopted: |
| 78-0140 M | Authorizing new plaque cast with name Municipal Railway and that three (3) plaques in place be retained.

Vote: Ayes-Henning, Flynn, McCrea
No- Pilcher, Sanger |
| | On motion of McCrea, seconded by Flynn, the following resolution was adopted: |
| 78-0141 M | Directing that official actions and documents reflect legal name of Municipal Railway.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger |
| | On motion of Sanger, seconded by Flynn, the following resolution was adopted: |
| 78-0142 HH | Declaring emergency regarding HH overhead lines, and instructing staff to take necessary action.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger |
| | On motion of McCrea, seconded by Pilcher, the following resolution was adopted: |
| 78-0143 M | Approving an exception to the existing schedule of rates, fares, and charges by the Municipal Railway to allow Boy Scouts to ride any Municipal Railway vehicle in revenue service without payment of a fare for one day only, April 22, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger |
| | On motion of McCrea, seconded by Flynn, the following resolution was adopted: |
| 78-0144 HH | Approving Redevelopment Agency's proposal for construction of new street lighting on Cargo Way from Third Street to Jennings Street.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger |

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0145 HH

Extending Bureau of Light, Heat and Power Contract No. 193 with Lease-Lite Corporation for maintenance and repair of City-owned street lighting system to midnight, June 30, 1979, in accordance with Section 79 of the Special Provisions of said contract.

Vote: Ayes-Henning, ~~Pilcher~~, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0146 HH

Authorizing the General Manager of Public Utilities to enter into an agreement with the U.S. Geological Survey of the U.S. Dept. of the Interior under which the U.S. Geological Survey will provide for engineering services in connection with stream flow records of the Tuolumne River for fiscal year 1978-79, in the estimated sum of \$51,075.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0147 HH

Awarding HH Contract No. 533, in amount of \$576,990, to L.K. Comstock and Co., Inc., of San Francisco, for J Line Streetcar Overhead System, Conversion for Pantograph Operation. (Power Improvement Program/Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0148 HH

Accepting as satisfactorily completed work under HH Contract No. 528, Laguna Honda and Judah Substations, Construct Buildings and Install Equipment; approving credit modification of \$4,692.33; and authorizing final payment of \$59,014.26 to Herrero Brothers, Inc., Contractor. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0149 W

Authorizing bid call for WD Contract No. 1729-Repaving of Street and Sidewalk Openings for the San Francisco Water Department for fiscal year ending June 30, 1979. Estimated cost of work, \$836,740.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0150 W

Approving supplemental appropriation, amount \$35,758, to provide funds for three new positions of Classification 2471 Water Quality Chemist and additional equipment required by the Water Quality Division for expansion of the water quality monitoring program as required by the new State and Federal legislation.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Sanger, the following resolution was adopted:

78-0151 W Approving supplemental appropriation, amount \$61,522, to provide funding of three Class 2471 Water Quality Chemists for the 1978-79 fiscal year.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0152 W Authorizing modification of the existing Resale Customer's Contract with the City of Milpitas to allow a 15% reduction in the minimum and maximum billing charges beginning February 1, 1978 for any month that Milpitas' consumption is less than a similar period in 1976; and authorizing termination of said modification at the end of any three consecutive months in which Milpitas' consumption exceeds its 1976 consumption for similar periods.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Sanger, the following resolution was adopted:

78-0153 W Approving and authorizing the execution of a .10 acre lease with California Book Co. on certain Water Department property located on Phelan Ave. near Ocean Ave. for a term of five years commencing January 1, 1978, with the right of cancellation, at a monthly rental of \$750 per month minimum, plus 4 percent of gross revenue in excess of \$225,000 per fiscal year (June 1 through May 31), plus payment of Possessory Interest Tax.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Sanger, the following resolution was adopted:

78-0154 W Approving write-off of Water Department uncollectible accounts receivable more than 90 days past due, month of February, 1978, amount \$6,448.12.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0155 W Approving collection of Water Department claims for damages against miscellaneous debtors, amount \$2,158.72, month of March, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0156 M Authorizing the Municipal Railway to advertise a Request for Proposals for consultant assistance in the preparation of an Environmental Impact Report for a Municipal Railway fare revision.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

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On motion of Sanger, seconded by Flynn, the following resolution was adopted:

- 78-0157 M Approving in principle a plan for handling traffic in the vicinity of the proposed cable car extension to the Fisherman's Wharf area based on the recommendations of the Municipal Railway Planning, Operations and Marketing Study; and requesting the Board of Supervisors to approve in principle the plan for traffic control.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

- 78-0158 M Expressing opposition to a proposed amendment of Section 3.595 of the Charter which would add language limiting cable car service to the 3 existing lines and specifying that these lines could not be extended, and recommending that it not be placed on the ballot.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

- 78-0159 M Opposing a proposed amendment of Section 3.595 of the Charter which would permit greater flexibility in scheduling cable car service and in setting fares for the cable car system, and recommending that it not be placed on the ballot.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0160 M Authorizing the General Manager of Public Utilities and his staff to prepare an updated report of Muni's storage and maintenance problems, with drawing the Playland site from consideration, reactivating the Presidio Commissary site and other sites as potential locations for a bus storage and maintenance facility.

Vote: Ayes-Henning, Flynn, McCrea, Sanger
No- Pilcher

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0161 M Awarding MR Contract No. 648 in the amount of \$338,264 to Abbett Electric Corporation of San Francisco for furnishing and installing UHF antennas in subway and tunnels. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

- 78-0162 M Accepting as satisfactorily completed MR Contract No. 637 for Track Reconstruction and Sewer Enlargement- Taraval Street- 36th Avenue to 46th

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Avenue; approving credit modification in the amount of \$3,159.75; and authorizing final payment of \$47,818.02 to McGuire and Hester, Contractor. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0163 M

Supporting principles of the Transit Operators Coordinating Council (TOCC) of the Metropolitan Transportation Commission (MTC) for improving levels of federal funding anticipated in support of transit properties in the Bay Area (less Santa Clara County), and recommending that the MTC take all appropriate action to obtain their adoption.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0164 M

Approving the recommended Request for Proposals (RFP) for the services of a certified public accountant firm to undertake an audit of the cash handling procedures at the Municipal Railway.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0165 M

Approving proposals to increase mid-day service on Route 30-Stockton between Fourth and Folsom Streets and Washington Square, revise Route 85-Shopper Shuttle, re-route Route 84-Shopper Shuttle and the S.P. Depot branch of Route 19-Polk, abandon portions of Routes 19, 84 and 85, and reduce hours of service of Route 85; and requesting that the Board of Supervisors not disapprove the partial route abandonments of the Routes 84 and 85-Shopper Shuttle and Route 19-Polk or the partial reduction in service of Route 85-Shopper Shuttle.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0166 M

Approving supplemental appropriation, amount \$190,000, to provide funds for payment of gas and electricity for the past 8 months.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0167 M

Approving issuance of a revocable permit to the Recreation and Park Department to operate and maintain a mini-park designated as Western Addition Mini-Park No. 4 located at Fillmore Street between Turk Street and Golden Gate Avenue.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

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On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

- 78-0168 M Extending the revised disciplinary procedures as agreed upon and written on July 22, 1977, by the Municipal Railway and TWU Local 250-A for another six-month or shorter trial period.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0169 M Approving supplemental appropriation, amount \$5,724.12 to provide funds for back pay for Wilton Marshall, Jr., 7514 General Laborer, in compliance with Charter Section 8.403.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0170 M Approving supplemental appropriation, amount \$50,000, to provide funds for payment of claims and litigations.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of Pilcher, seconded by Sanger, the following resolution was adopted:

- 78-0137 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$7,500.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0171 GO Approving the appointment, pursuant to Charter Section 3.585, of the legal firm of Howard, Prim, Rice, Nemerovski, Canady and Pollak as special counsel for assisting the City Attorney's Office on pending litigation involving Hetch Hetchy electric rates, subject to the consent of the Mayor.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

APPROVAL OF MINUTES

Commissioner Claire C. Pilcher said she agreed with the tone of Mr. John Elberling's letter (a copy of which is attached to the minutes). She said there is frequently a lengthy discussion with various points of view, and frequently this is not reflected in the minutes. Commissioner Pilcher moved, Commissioner McCrea seconded, and the Commission voted unanimously to include points of view expressed during discussions and debates and public comments in the minutes.

The minutes of the regular meeting of March 28, 1978, were approved.

COMMUNICATIONS

Attorney Michael McCloskey, referred to his letter of March 30, 1978, attached hereto and made a part of these minutes. He said he is asking the Commission for assistance for his client, Mr. Robert Surface, whose property at 815 Clayton Street has been damaged by the construction of the Carl Street Substation under HH Contract No. 529. Also, he said it is a matter of public policy. He feels that Mr. Surface is a representative citizen who has been injured, and that this is not an isolated case of shabby treatment at the hands of the contractor and the insurance company.

Mr. George E. Baglin, Utilities General Counsel, explained that the house was damaged by Amoroso Construction Co., and there is a suit pending. The case is some distance away from trial. Settlement negotiations have gone on between Safeco and Mr. McCloskey, and there is a difference of opinion between the insurance carrier and Mr. McCloskey's client as to how much should be paid.

Commissioner John M. Sanger asked what would be achieved by the Commission intervening.

Mr. McCloskey said there is failure to negotiate in good faith, and the Public Utilities Department paid the premium and is the policy holder. Public Utilities is the contracting agency with Amoroso. Mr. McCloskey stated that if the Commission makes enforcement efforts it will be noticed by all contractors.

Commissioner Peter McCrea asked Mr. Baglin what could be done.

He said the Commission does have power over the contractor as he will be back asking for another contract. He asked if pressure could be put on the contractor.

Mr. Baglin said he would not recommend pressure, and that final payment is due in a couple of months. He said it would be improper to intervene.

Commissioner Sanger said he didn't think the Commission should become involved as it is an onerous thing to go up against a contractor's insurance company. It might be of assistance in the future to have some type of penalty clause.

In answer to a question by Commissioner McCrea, Mr. Baglin said he thought the Commission would have the right to withhold final payment.

Commissioner McCrea moved, Commissioner Sanger seconded, and the Commission voted unanimously to withhold final payment on HH Contract No. 529 until the case is settled to the mutual satisfaction of both parties.

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz Water Consumption

Mr. Wentz reported that water usage from March 25 to March 31, 1978, was 42 percent less than in 1976. Water usage from April 1 to April 7, 1978, was 33 percent less than in 1976.

Official Name for Muni

A decision is needed on the official name for Muni, and on the plaques at Woods Motor Coach Center. Mr. Wentz added that Mr. Baglin advised the name cannot be changed from "Municipal Railway", as it appears in the Charter.

Commissioner McCrea moved, and Commissioner Flynn seconded that the new plaque be cast with the name "Municipal Railway", and that the three plaques in place be retained. Commissioner Henning voted "aye"; Commissioners Pilcher and Sanger voted "no".

Mr. Wentz noted there are titles in civil service which should be changed back to "Municipal Railway."

Mr. Maurice Klebolt, President, CAPTrans suggested that the plaques be changed. He said the present ones would be of value to a collector, and he would buy one for \$500.

Commissioner H. Welton Flynn said the PUC has no authority to dispose of City property, and Mr. Baglin added that they would have to be turned over to the Purchaser.

Commissioner McCrea moved, Commissioner Flynn seconded, and the Commission voted unanimously that official actions and documents reflect the legal name "Municipal Railway."

MTC Seminar and Reception

Mr. Wentz advised Commissioners that MTC is holding a seminar and reception on April 27, 1978, to communicate more effectively with transit properties.

Transportation Commission

The legislative and Personnel Committee of the Board of Supervisors continued consideration of a Transportation Commission to a special meeting in May to allow time for the Mayor to formalize his proposals on reorganization. Mr. Wentz stated something in writing should be filed by the time of the meeting in May.

President Henning directed that the matter be placed on calendar for the meeting of April 25, 1978.

PUC Audit

The Board of Supervisors has referred the PUC Audit to the Finance Committee for a hearing on May 24, 1978.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner Sanger questioned Mr. Oral L. Moore, General Manager Hetch Hetchy Water and Power, about the newspaper articles on the dangerous condition of overhead lines.

Mr. Moore stated all lines have been surveyed. He said there is a difference of opinion between the superintendent and a line foreman, and that the newspaper articles were instigated by the line foreman through conversations with Mr. Kelly, a reporter. Since July 1, 1976, there has been a 27-person turn-over in an 18-man crew because Hetch Hetchy is paying below lineman's scale. A great deal of work in San Francisco is generated by Hetch Hetchy activities, and this takes linemen away from Hetch Hetchy as the scale is 50 percent higher than what Hetch Hetchy employees are receiving. There are now 4 permanent openings. Civil Service maintains rates are mandated by comparison studies of electricians in other jurisdictions.

President Henning said that the implication is that the lines are unsafe.

Mr. Moore stated the lines are 25 to 30 years old. He said nothing is 100 percent safe, but staff thinks they will be safe until they can be replaced. Emergency crews are replacing line breaks and hardware, but more employees would assure that staff is on top of the problem.

Commissioner Sanger said there are some options open, such as contracting this work. He asked if Civil Service could be requested to consider classifications that are not tied to a bench mark.

Mr. Moore said it is reasonable to hire a contractor in emergency situations.

Commissioner Sanger moved, Commissioner Flynn seconded, and the Commission unanimously voted to instruct staff to prepare a supplemental appropriation in order to subcontract or otherwise resolve the problem.

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Commissioner Sanger stated that a month ago he asked what was happening in respect to the Municipal Railway position on the tracks along the Marina Green.

Mr. Wentz stated the Municipal Railway would like the tracks replaced, and has made this position clear in writing to Waste Water Management. Staff was originally told this was impossible. The U.S. Army (Fort Mason) refused, and the State would not allow State money to be used. The tracks belong to the Army. Mr. Wentz said he understands there will be a reversal of that opinion, and that Mr. Richard Sklar of Waster Water Management will advise. The final decision will be communicated to the Board of Supervisors at the next hearing.

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Commissioner McCrea stated that at the meeting of March 28, 1978, he requested that an item on equipment failures and lack of equipment on the street be calendared.

Mr. Green apologized and requested that this item be put over to the meeting of April 25, 1978.

Resolution No. 78-0143--PUBLIC HEARING to consider an exception to the existing schedule of rates, fares, and charges by the Municipal Railway to allow Boy Scouts to ride any Municipal Railway vehicle in service without payment of a fare for one day only, April 22, 1978.

Mr. James Rogers, Assistant Superintendent of Parks, Squares and Facilities, explained that about 2,000 Boy Scouts in uniform, will be cleaning various parks of debris throughout the City on April 22, 1978.

Mr. Maurice Klebolt, President, CAPTrans stated his organization supports the resolution

ITEM NO. 15--Awarding WD Contract No. 1745- 30" Steel Main Installation in Howard Street between 3rd and 4th Streets to Dalton Construction Co., of South San Francisco, in the net amount of \$66,970.

Commissioner Sanger asked if this item has to do with the Yerba Buena Development, and Mr. Wentz replied, that it will be handled by Yerba Buena bonds.

Mr. Kenneth R. Boyd explained that the Water Department will be repaid for both moves. Funds are being advanced on the written notice of the Chief Administrative Officer, and will be repaid when the bond issue is sold.

Commissioner Sanger asked why the Department has to be out in front before the bonds are sold. He said the Commission should have a letter from the Chief Administrative Officer so it is a matter of public knowledge that the Water Department funds are being advanced.

Commissioner McCrea requested a statement from Mr. Richard Sklar specifically delineating the adverse effects if the main installation is delayed.

President Henning directed that the matter be put over to the meeting closest to 30-days in advance.

Resolution No. 78-0150--Approving supplemental appropriation, amount \$35,758, to provide funds for three new positions of Classification 2471 Water Quality Chemist and additional equipment required by the Water Quality Division for expansion of the water quality monitoring program as required by the new State and Federal legislation.

Commissioner Pilcher commended the Water Department on the supporting documents provided. Having seen the testing facilities at Millbrae, she said she agreed that construction of new facilities is necessary, and inquired about the status of that request.

Mr. Wentz stated the item reached the Finance Committee earlier and was put over.

Mr. Boyd explained that in a way the project was held ransom because of the budget analyst's recommendations regarding the 5 acres of land in Millbrae.

Commissioner Sanger asked why the City is going to have two testing facilities; one for wastewater and one for the Water Department.

Mr. Boyd explained that if the facilities for the Water Department are delayed, there will be added cost. He said the Department of Public Works will not be ready to proceed with the facilities for wastewater for two or three years. However, in an emergency either one could seek help from the other.

Resolution No. 78-0152--Authorizing modification of the existing Resale Customer's Contract with the City of Milpitas to allow a 15% reduction in the minimum and maximum billing charges beginning February 1, 1978 for any month that Milpitas' consumption is less than a similar period in 1976; and authorizing termination of said modification at the end of any three consecutive months in which Milpitas' consumption exceeds its 1976 consumption for similar periods.

Mr. Paul Causey of the City of Milpitas, stated that Milpitas has paid large penalties for consuming quantities of water less than the minimum, and that with the drought the penalties became exorbitant. In October, 1977, the PUC by Resolution No. 77-0456 allowed Milpitas to use the 1976 minimum consumption levels for 1977. Since the Commission ended water rationing in January penalties have greatly increased.

Responding to a question from Commissioner McCrea, Mr. Boyd said Milpitas has a well, but would like the contract modified to avoid seeking other sources of water.

Commissioner Sanger asked why a minimum purchase is required, and Mr. Boyd explained that in 1961 in order to fund a \$161 million bond issue to bring more and better water to resale customers it was necessary that these customers purchase water in sufficient quantities to justify the bond issue. Mr. Boyd said Milpitas is not paying a penalty.

Commissioner Sanger noted that every resident of San Francisco pays a minimum amount even if not a drop of water is used.

Commissioner McCrea said he would hate to see the Commission try to force Milpitas to use more water. If a contract has been signed it is a basic charge.

Resolution No. 78-0153--Approving and authorizing the execution of a .10 acre lease with California Book Co. on water Department property located on Phelan Ave. near Ocean Ave. for a term of 5 years commencing January 1, 1978, with the right of cancellation at a monthly rental of \$750 per month minimum, plus 4 percent of gross revenue in excess of \$225,000 per fiscal year, plus payment of Possessory Interest Tax.

Commissioner Pilcher asked if this is the highest rental that can be obtained for this property.

Mr. Boyd replied affirmatively, stating that California Book Co. owns the building.

Responding to a question from Commissioner Sanger, Mr. Boyd stated the value of the land is \$25 per square foot.

Resolution No. 78-0156--Authorizing the Municipal Railway to advertise a Request for Proposals for consultant assistance in the preparation of an Environmental Impact Report for a Municipal Railway fare increase.

Commissioner Pilcher commented on the wording used on the calendar for this item as the EIR may not result in a fare increase and no fare is an alternative to be studied.

Mr. Maurice Klebolt suggested that the matter be put over until the question of the present capability of entrapping coins has been fully addressed, as there are no fare registering accounting devices.

Commissioner Pilcher said it has been demonstrated that fare collection procedures are impeccable. Fares are removed by suction pipe and counted one time.

Commissioner McCrea said staff has been instructed to review the subject of fare collections, and the matter on the agenda today is an EIR process that may not result in a fare increase.

Commissioner H. Welton Flynn stated that ridiculous innuendoes are being made, and that an accounting firm is to review fare collection procedures.

Mr. Fred Perry of CAPTrans questioned Commissioner McCrea's argument that any discussion apart from an impact report is not germane. He said no one can report how much revenue is received on a particular line.

Commissioner Flynn said an EIR is necessary whether or not there is a fare increase. He said an EIR would give information as to whether or not the accusations are true.

Commissioner Pilcher asked if it can be determined how much money is collected from each line.

Mr. Curtis E. Green, General Manager, Municipal Railway, said the present boxes have a slot available in which to insert a mechanism in the box to count fares when this is approved by UMTA. In the past year boxes have become available that determine the amounts collected by the hour and by the line, and by gas and mileage. He said those systems were not available 3 years ago.

Commissioner Pilcher said she had asked a "no fare" system be included in the RFP, and she requested that this be included.

Mr. Green stated that it is determined how much is collected from each line, but not from each bus.

Commissioner Sanger asked about the estimated cost for an EIR. Mr. Wentz said the cost is estimated between \$50,000 and \$100,000 which should be available from MTC sources.

Commissioner Sanger inquired about State legislation which would make an EIR unnecessary in case of transit fare increases.

Mr. Wentz said there are two bills in the legislature. One would eliminate the need for an EIR on transit fare increases. The other would eliminate the necessity for an EIR on all utility rate increases. Mr. Wentz stated he will bring the two pieces of legislation before the Commission at the meeting of April 25, 1978.

Commissioner Sanger said he hoped the Commission would go on record supporting the principle that an EIR should always be undertaken before consideration of fare revisions.

Commissioner Sanger noted that Workmen's Compensation of \$1,000,000 is required. He asked if this amount is prescribed or a matter of discretion.

Mr. Lynn Pio replied that to some extent it is a matter of discretion.

Commissioner Sanger said this is a burdensome requirement for small contractors, and generally unnecessary in cases of public service contracts.

Mr. Rino Bei, Program Director, Transit Improvement Program, said the limits were furnished by the Controller's Office and the City Attorney.

Mr. Baglin said the PUC has control of its own contracts.

Commissioner Flynn noted that the Controller's Office might not pay if the amount were less.

Mr. Baglin said he would research it.

Commissioner Pilcher said that perhaps a sentence could be added that a bidder unable to meet the insurance requirements could request an exception by the Commission.

Commissioner Flynn explained that in the case of the Water Department the rent was being paid to the Water Department, but this contract must be certified and paid by the Controller.

Commissioner McCrea moved, Commissioner Pilcher seconded, and the Commission voted unanimously to approve the RFP, and that staff research the issue of insurance requirements with the City Attorney's Office and the Controller and report back to the Commission.

Resolution No. 78-0157--Approving in principle a plan for handling traffic in the vicinity of the proposed cable car extension to the Fisherman's Wharf area based on the recommendations of the POM Study; and requesting the Board of Supervisors to approve in principle the plan for traffic control.

Mr. Wentz stated that the work of developing a traffic plan was done under the direction of the Planning Department.

President Henning explained that this is in response to the request from the Board of Supervisors to develop a plan for submission. He said a public hearing will be held before the Streets and Transportation Committee.

While awaiting the arrival of Mr. George A. Williams, Assistant Director of Planning, Land and Programs, the following item was taken out of order.

Resolution No. 78-0159--Opposing a proposed amendment of Section 3.595 of the Charter which would permit greater flexibility in scheduling cable car service and in setting fares for the cable car system, and recommending that it not be placed on the ballot.

With respect to scheduling, Commissioner Sanger said he understood that the Charter requires a minimum level of service.

Mr. Green said this was predicated on a certain level of service in June a few years ago. He said service can be increased but not decreased. Mr. Green said the proposed Charter Amendment would give management the right to look at the needs of the system and apply what resources are available to meet those needs.

Commissioner Sanger said he agreed with Mr. Green in principle, but the real point is that to favor removal of this language would suggest that there will be differential fares on cable cars and reduced levels of service. There should be no such intent.

Commissioner Pilcher stated that an EIR has just been approved having to do with fares. She said it would not be appropriate to move now, as some findings in the EIR might thereby be invalidated.

Commissioner McCrea asked if the matter could be included in the consultant's report- to deal with fare increases for cable cars as a separate issue, and to determine how many resident riders there are and how many fast passes are used.

Mr. Wentz said it can be added, but would cost more money and take more time.

Mrs. Frieda Klusmann, representing Cable Car Friends, expressed opposition to the proposed amendment. She said it would show discrimination, and that you cannot differentiate between a passenger who is a San Franciscan and a tourist.

Mr. Norman Rolfe, representing San Francisco Tomorrow, said the schedule on which service is based was a winter schedule which was effective November 23, 1970. He said the purpose

of putting it into the Charter was to maintain minimum service, and the fares provision was to recognize that cable cars are a part of the transit system. To make premium fares for tourists would be a "rip off", and would work a hardship on people who use the cable cars for transportation.

Mr. Lawrence B. Martin, President, TWU Local 250-A, said he would like to go on record as opposing the proposed amendment. He said a look must be taken at UMTA funding, and that all people must be treated the same.

Mr. Maurice Klebolt said his organization opposes that proposed Charter Amendment.

Mr. Carl Carlson of Supervisor Harvey Milk's Office, stated Muni is discriminating by selling fast passes.

Commissioner Sanger moved that the Commission inform the Board of Supervisors that it is opposed to the proposed Charter Amendment and that the cable cars are part of the Municipal Railway and should be treated equally with no difference in fares or reduction in service.

Commissioner Pilcher added that it should be added that in view of the fact that an EIR is being considered the proposed amendment is also premature. She seconded the motion, and the Commission unanimously voted to oppose the proposed amendment.

Commissioner McCrea said the question of cable car fares should be a part of the EIR, as should fast passes.

Resolution No. 78-0157--Approving in principle a plan for handling traffic in the vicinity of the proposed cable car extension to the Fisherman's Wharf area based on the recommendations of the POM Study; and requesting the Board of Supervisors to approve in principle the plan for traffic control.

Mr. George A. Williams stated that about 1-1/2 years ago the Planning Department adopted a plan for the waterfront. This is described in concept in the City's master plan. An inter-agency group has been working on detailing the proposals, and concepts are emerging. Concepts have been presented to two neighborhood organizations who are not in agreement. With the aid of maps Mr. Williams described the proposed traffic plan.

Responding to a question from Commissioner Sanger, Mr. Wentz said it was not desired to give additional consideration to the cable car extension until a traffic plan had been resolved. The same direction has been received from the Board of Supervisors. A traffic plan has been prepared, and the resolution requests the Board of Supervisors to adopt a similar resolution. If the traffic plan is not adopted, it will be impossible to extend the cable cars.

President Henning invited public comment.

Mr. Virgil Caselli, President, Fisherman's Wharf Merchants Association, spoke in favor of the proposed traffic plan, and commended the Planning Department on its efforts. He said his organization has 91 members and has been in existence about 71 years.

of interest is that the committee has been working for some time on the subject of the "New Deal" and its effects on the economy. It is believed that the committee will be able to provide a comprehensive report on this subject in the near future.

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APPENDIX

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Mr. Tom Matoff, Acting Director of Planning, described the proposed plan by means of maps.

Commissioner McCrea asked about the proposed route of the rail line in the area, and Mr. Matoff said it would operate one way. A new right-of-way would have to be constructed east-bound.

Commissioner McCrea asked if there was any opposition to new lines such as the 42 at the POM hearing.

Mr. Matoff said the major question was regarding a recommendation by the consultant that the 15 line be re-routed from Powell Street to Stockton Street.

Mr. A.E. Goldsmith of the Fisherman's Wharf Merchants Association said he endorses Mr. Caselli's position.

Mr. Lowell Sucherman of Cartwright, Sucherman, Slobodin & Fowler, Inc. representing the Fisherman's Wharf Merchants opposed to the extension, said his group was formed in 1973-1974, and he is employed to represent the group. He said there are 100 members. Mr. Sucherman said neighborhood groups are concerned that money spent on the cable car extension could be used on other projects.

Commissioner Flynn said this is contrary to information from UMTA, and Commissioner Pilcher said she checked, and this money cannot simply be transferred for other purposes. Each project in an UMTA funded grant must be justified on its own merits and funds are available to cover those justified.

Mr. Sucherman said his group is opposed to the cable car extension, but did not take a vote on the traffic plan. He said there were 40 members at the meeting, and all of them were opposed to adoption of the cable car extension and to any traffic plan that has to do with the cable car extension.

Mr. Jack Trujillo of the Committee to Stop the Muni Boondoggles, said he represents 40 neighborhood organizations in San Francisco who are opposed to extension of the cable car line, and cannot support any traffic plan which incorporates the extension.

Mr. Fred Methner of East and West of Castro Street Improvement Association, signed a card to speak but had to leave.

Mr. Richard Brotigan of McCutchen, Doyle, Brown & Enersen, representing Cost Plus, spoke in opposition to the proposed resolution.

Mr. Maurice Klebolt said CAPTrans has not taken a position on this plan, but he can see that it is a good plan.

Mr. George Read was not present.

Mr. Joe Hay of Alice B. Toklas Democratic Club was not present.

Mr. Mark Davalos of Golden Gate Democratic Club, said this club has a membership of about 200. He said the club will not support a traffic plan with cable car extension.

Mr. Peter Mendelsohn of Tenants & Owners Opposed to Redevelopment (TOOR) said his organization is against extending the cable car, as it is unfair to merchants. He said the rest of the traffic plan is good, and that the merchants on the waterfront are treated well.

Mr. Rorie, an artist at Fisherman's Wharf, said he has been there for the past 5 years. He said most artist would endorse the general traffic plan, with one exception- nothing is said about buses other than diesels.

Mr. Chuck Arnold of CAPTrans said he opposes the plan. He said cable car loop lines in both directions to Hyde Street recommended by CAPTrans need to be studied.

Mr. Williams reported that the Planning Commission has not acted on a detailed plan.

Commissioner Sanger stated that it would be appropriate to leave as much flexibility as necessary.

Commissioner Sanger moved to adopt the resolution with the modification that the words "adjacent to the east curb", be eliminated at the bottom of the first page of the resolution under No. 3.

Commissioner Flynn seconded the motion, which was unanimously adopted by the Commission.

Mr. Fred Perry of CAPTrans said he endorses the idea in principle.

Resolution No. 78-0158--Expressing opposition to a proposed amendment of Section 3.595 of the Charter which would add language limiting cable car service to the 3 existing lines and specifying that these lines could not be extended, and recommending that it not be placed on the ballot.

Mr. Green recommended opposition to the proposed amendment because the language is extraneous, restrictive, and limiting.

Commissioner Pilcher stated she felt the Commission should vigorously oppose it.

Mr. Maurice Klebolt said he supports Mr. Green's position.

Mr. Norman Rolfe expressed opposition.

Mr. Virgil Caselli said he thinks it is another effort to stall the cable car extension.

ITEM NO. 26--Authorizing the execution of Amendment No. 1 to the Professional Services Agreement with Thomas T. Lunde, Inc., under which Lunde would provide consultant and design services for improvement of the operating characteristics of the cable cars, subject to the concurrence of UMTA. (Transit Improvement Program)

Commissioner Pilcher said she understands that Mr. Lunde, who was hired to do this job now wants three times as much money to make some improvements which will cost an additional \$48,000.

Mr. Rino Bei explained that he was to turn out standard plans and specifications, which he did. In the course of developing the cable car he has come up with a number of recommendations to improve operations and make the car safer. Mr. Lunde is a specialist in cable machinery and cargo handling equipment.

Responding to a question from Commissioner Pilcher, Mr. Bei stated a grant has been approved for three new cable cars and the rebuilding of seven. The design could be incorporated over a number of years --items such as a hydraulic brake system.

Commissioner McCrea asked if the work would be consistent with the results of the Ames Report. Mr. Bei said what was developed in that report would be employed, and that Mr. Lunde has utilized the Ames Report, mostly in the design of the under-carriage.

Commissioner Flynn suggested the item be taken off calendar.

Commissioner McCrea asked how the consultant and design services relate to the Chin and Hensolt study. He suggested the item be put over.

Commissioner Sanger asked if this has anything to do with the original contract, and if staff believes it is actually possible to apply the technology of the 1970's to the cable cars.

President Henning asked how long it would take to implement the hydraulic brake system.

Mr. Wentz said staff will respond to these questions at the Commission meeting of April 25, 1978.

Resolution No. 78-0160--Authorizing the General Manager of Public Utilities and his staff to prepare an updated report of Muni's storage and maintenance problems, with drawing the Playland site from consideration, reactivating the Presidio Commissary site and other sites as potential locations for a bus storage and maintenance facility.

Mr. Wentz stated that staff appreciates the desires of the potential private developer of the Playland site, but would like to continue the 4-month study.

Commissioner McCrea said it appears that the report is being handled by T.I.P. He asked why it is not being done by the Transit Planning staff.

Mr. Wentz replied that it will be a joint study; there is a need for all disciplines involved.

Mr. Green said the planners are heading the study. He said Kirkland Yard must be replaced.

President Henning inquired about funding of \$21 million.

Mr. Wentz replied that UMTA funding of 80% would be requested.

Commissioner McCrea asked about the Playland site being made a part of the GGNRA.

Mr. Wentz replied the key is for the GGNRA to put forth a bill through Congressman Philip Burton. He said there is a bill being developed in final form now, and that he would call Congressman Burton's office April 12, 1978, and see if the Congressman will favorably consider it.

Marie Zeller from the Department of City Planning stated that Congressman John Burton is closest to the matter, and he has told this staff here that he does not wish to involve a bus barn in that bill.

Mr. Stephen R. Farrand, of Farrand, Malti, Spillane & Cooper, representing Ocean Beach Associates (OBA), stated that OBA is proposing 540 residential units and a low rise recreational commercial area at the Playland site. He said regarding the

Organization of the work of the Commission is based on the principle of the division of labor. The Commission is divided into three main departments: the Department of General Affairs, the Department of Technical Affairs, and the Department of Finance. Each department is headed by a member of the Commission. The Department of General Affairs is responsible for the general administration of the Commission. The Department of Technical Affairs is responsible for the technical work of the Commission. The Department of Finance is responsible for the financial work of the Commission.

The Commission is also divided into several committees and sub-committees. These committees are responsible for the study and preparation of reports and recommendations. The Commission also holds regular meetings to discuss the work of the Commission and to make decisions on the basis of the reports and recommendations of the committees and sub-committees.

The Commission is also responsible for the collection and dissemination of information. It collects information from various sources and disseminates it to the member states. It also publishes reports and recommendations. The Commission is also responsible for the organization of conferences and seminars. It organizes these conferences and seminars to discuss the work of the Commission and to make decisions on the basis of the reports and recommendations of the committees and sub-committees.

The Commission is also responsible for the organization of the work of the member states. It organizes the work of the member states to ensure that they are carried out in a coordinated and efficient manner. It also provides technical assistance to the member states.

CONCLUSION

The Commission has made significant progress in its work since its establishment. It has collected and disseminated a large amount of information. It has also organized a number of conferences and seminars. The Commission has also provided technical assistance to the member states. The Commission is confident that it will continue to make significant progress in its work in the future.

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GGNRA bill, Congressman Burton has no particular interest unless the Commission comes out strongly in favor. The best use of the property is for residential housing. He said it would cost \$23 million for an underground bus terminal, for an estimated dead head savings of \$400,000 a year. An underground facility, he said, would be incompatible with OBA plans for middle income residential housing, and a 4-month study has a chilling effect on their ability to proceed with the development.

Mr. Eugene A. Brodsky of Jarvis, Miller and Brodsky, Inc., representing residents of the Outer Richmond, stated that these residents are opposed to the concept of a bus barn at the beach. He said there is universal opposition-- they do not want 150 buses plus maintenance facilities in that area. He said it is inconsistent with open space values, and additional monies should not be spent in creating a bus yard in the middle of an open space area and next to families in a residential area.

Commissioner Pilcher asked if a 540-unit apartment complex is in keeping with open space values.

Mr. Brodsky said Congressman Philip Burton will introduce a bill that the area below Sutro Heights Park will be taken by the GGNRA. Deficit financing for transit to Marin County would have to be included as a condition of the GGNRA giving the City underground space.

Mr. Green said that in meetings with neighborhood groups during the POM study, there was opposition which could not be overcome. However, many lines end at the Playland site, and there would be \$500,000 a year in savings. A \$20 million project would pay for itself in 40 years.

Mr. Klebolt inquired about Balboa Reservoir and the Presidio Commissary site. He expressed opposition to the Playland site.

Commissioner McCrea asked why consideration of the Presidio Commissary site had been dropped, and Mr. Matoff said it could be re-opened.

Mr. Green stated that the military is not in accord with Muni using that site.

Mrs. Gordon Gibbons, representing residents, stated there was outrage that the GGNRA would consider the Playland site for a bus yard. She stated the Coastal Commission could not conceive of it being used as a bus barn.

Commissioner McCrea moved, and Commissioner Flynn seconded, that consideration of the Playland site be deleted from the study and that Presidio Commissary be reactivated as an alternate site. Commissioners Henning and Sanger voted "aye"; Commissioner Pilcher voted "no".

Resolution No. 78-0161--Awarding Contract No. MR-648 in the amount of \$338,264 to Abbett Electric Corporation of San Francisco for furnishing and installing UHF antennas in subway and tunnels. (Transit Improvement Program)

This resolution was taken out of order.

Commissioner Pilcher asked why the engineer's estimate was so much higher than the bids.

Mr. Bei explained that there were three bidders. The consultant made an estimate based on the cost of cable 25% below the regular price. This brought the price way down.

Resolution No. 78-0168--Extending the revised disciplinary procedures as agreed upon and written on July 22, 1977, by the Municipal Railway and TWU Local 250-A for another six-month or shorter trial period.

This resolution was taken out of order.

Commissioner Pilcher noted that a change is being made in the disciplinary procedures, but everything is laid out in the report except the change in the miss-out procedure.

Mr. Green stated that several months ago there was a bad situation between certain elements of management. During the time when Mr. Rudolf Nothenberg was Acting General Manager of Public Utilities, Muni began pointing towards a more cooperative method of handling infractions of the rules.

Mr. Lawrence B. Martin said the union thinks the 6-month program before the Commission is the best program to-date.

Commissioner Flynn asked if there were any problems, and Mr. Martin replied there are people at Muni who have been there 40 years and find it difficult to make a change.

Mr. Green said Muni is asking for another trial period, and that while the program has not done everything, it has made some improvement.

Commissioner Pilcher asked for a graph as the letter form is difficult to understand.

Commissioner Flynn requested that a 6-month extension be granted with a report to be submitted in 3 months on the total 9-month experience.

Professor B.C. Henderson, consultant on disciplinary problems at Muni, stated human behavior is his specialty, and an endeavor is being made to reverse punitive methods. He said it would be an error to expect drastic changes in a short period, and that 6 months is the least amount of time for any behavior change. There is a problem on miss-outs, and there might be some false readings after a 3-month period.

Mr. Carl Carlson stated that Supervisor Harvey Milk is concerned about the \$1.5 million estimated savings anticipated in the next 6 months.

Mr. Chuck Arnold of CAPTrans said the object is to improve the drivers' attitude. He said he does not perceive that it is getting better-- that there is a propensity to run ahead of schedule since the threat of suspension no longer exists.

Commissioner Pilcher noted that the number of monthly passengers has gone up and the complaints have gone down during the past year.

Mr. Arnold said that most of the people to whom he spoke while waiting for a bus felt that it doesn't do any good to complain to the Municipal Railway, so why bother.

Mr. Martin said the new program gets into the field of more training and communication.

Mr. Klebolt of CAPTrans said he supports the concept, but it is really a "sweetheart deal". He said he hopes the behavior attitude of drivers extends to Muni management. He objected to a bulletin which existed at Muni, which said that any employee who talks to anyone concerning Muni without management's permission is subject to dismissal.

Mr. Wentz reported that Mr. James H. Leonard, Director, Bureau of Public Service is pursuing the matter.

On motion of Commissioner Sanger, seconded by Commissioner Pilcher, this resolution was unanimously adopted by the Commission with the proviso that the 6-month extension be granted with a report to the Commission in three months on the total 9-month experience.

Resolution No. 78-0165--Approving proposals to increase mid-day service on Route 30-Stockton between Fourth and Folsom Streets and Washington Square, revise Route 85-Shopper Shuttle, re-route Route 84-Shopper Shuttle and the S.P. Depot branch of Route 19-Polk, abandon portions of Routes 19, 84 and 85, and reduce hours of service of Route 85; and requesting that the Board of Supervisors not disapprove the partial route abandonments of the Routes 84 and 85-Shopper Shuttle and Route 19-Polk, or the partial reduction in service of Route 85-Shopper Shuttle.

This resolution was taken out of order.

6:40 p.m. Commissioner Flynn was excused from the meeting.

Responding to a question from Commissioner Sanger, Mr. Matoff said that public hearings are required only before the Board of Supervisors. He said this is a response to the Chinatown T.R.I.P. concern about overcrowding on the No. 30-Stockton line. Also, the Downtown Association is interested in improving the Shopper Shuttles to balance service and routes.

Mr. Matoff explained by means of maps the route re-alignments on the No. 19-Polk line, the re-alignments of the shuttle buses, and the establishment of a short line service on the No. 30-Stockton line.

Commissioner Pilcher said she had received a letter from Mr. Lloyd Pflueger of the Downtown Association, and the association favors Plan 1, except they do not want the bus to go down Clay Street and up Sacramento Street.

Mr. Matoff explained that it is necessary to use the terminal at Drumm Street. Mr. Michael Cronbach of the Muni planning staff added there is a problem in finding a new terminal.

Mr. Green stated that the shopper shuttles bring in only about \$200 per day, and the fast pass has a tremendous difference in the use of shopper shuttles.

Commissioner McCrea inquired if the merchants have been asked to advertise this service.

Mr. Green replied affirmatively, and remarked that when there are sales the merchants have been asked to advertise that the shuttle bus passes by the store.

Commissioner Pilcher noted there will be three different types of bus routes on the No. 30 line, and Mr. Matoff said the new short line would be given a different number.

Mr. Klebolt suggested Chinese characters on the 30 line, or a card in the window. Mr. Matoff said this would be complex.

the Attorney General will be required to submit a report to the President on the progress of the investigation. The report will be submitted to the President on or before the 15th day of the month of June, 1964.

The President is authorized to direct the Attorney General to take such action as he may deem appropriate to carry out the purposes of this Act.

It is the policy of the United States to support the efforts of the people of the Republic of the Philippines to achieve a free and democratic government. The United States will continue to provide economic and technical assistance to the people of the Philippines to help them achieve their goals.

Section 2

Section 2 of the Act provides that the President is authorized to direct the Attorney General to take such action as he may deem appropriate to carry out the purposes of this Act. The President is also authorized to direct the Attorney General to take such action as he may deem appropriate to carry out the purposes of this Act.

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Section 10 of the Act provides that the President is authorized to direct the Attorney General to take such action as he may deem appropriate to carry out the purposes of this Act. The President is also authorized to direct the Attorney General to take such action as he may deem appropriate to carry out the purposes of this Act.

Section 11 of the Act provides that the President is authorized to direct the Attorney General to take such action as he may deem appropriate to carry out the purposes of this Act. The President is also authorized to direct the Attorney General to take such action as he may deem appropriate to carry out the purposes of this Act.

Mr. Green advised that the POM study recommends elimination of the shuttle buses. There would be a trial period of six months with the merchants.

Commissioner McCrea said there should be an iron clad rule given to the Downtown Association that if patronage does not pick up to a reasonable level, the shuttle buses will be discontinued.

Regarding the congestion on Stockton Street, Commissioner Sanger stated that consideration should be given to parking restrictions.

Mr. Mike Fong of T.R.I.P. said that now only commercial parking is allowed.

Commissioner Pilcher said people in Chinatown will have to get together about double parking and congestion.

Mr. Fong said there is a problem of enforcement by the Police Department. However, T.R.I.P. is in contact with the Chamber of Commerce and the merchants on Stockton Street.

Mr. Matoff said the planning staff is involved with Chinatown and the Planning Department and the Department of Public Works.

This resolution was unanimously adopted (4-0) by the Commission with the modification that shuttle service is to be terminated if it is not utilized to a greater degree in the next 6 months. Also, a new number is to be given to the new line on Stockton Street.

Resolution No. 78-0154--Approving the recommended Request for Proposals (RFP) for the services of a certified public accountant firm to undertake an audit of the cash handling procedures at the Municipal Railway.

Mr. Klebolt stated that staff should be given a demonstration of a registering fare box, and that the APTA Security Committee should give their recommendation.

Commissioner McCrea asked if it would be possible to add to the scope an item to evaluate alternative fare box systems or improvements to the fare boxes.

Mr. Wentz said the firm would analyze the alternative of fare registering equipment.

President Henning said a mini-computer system could be cranked in, for which there might be Federal funding. He said staff will pursue this matter.

Mr. Klebolt advised that Louisville changed from the Keene system to the Duncan system.

Commissioner Sanger said an addition should be made to the scope that if any serious difficulties are discovered with the fare collection system, equipment changes along with new procedures will be suggested.

Responding to a question from Commissioner McCrea, Mr. Green said staff will get a copy of the APTA report.

Mr. Wentz stated multi-disciplinary public accountant firms are capable of looking at cash handling procedures.

ITEM NO. 38--Responding to the Mayor's request for a contingency plan for a reduced level of Municipal Railway operations in the event that Proposition 13 passes, and directing the General Manager to transmit such plan to the Mayor.

Mr. Wentz stated there are two basic assumptions. (1) The State Legislature will in three weeks modify the provisions of AB1107 so that money can be available for maintaining service. (2) At some point during the legislative process there will be a bill passed to allow EIRs to be dispensed with. If neither passes, Muni might as well shut things down.

Commissioner Pilcher said the calendar item is extremely difficult to understand, and there are inconsistencies about certain lines which would become feeder lines. Attached sheets indicate they might be eliminated.

Commissioner Pilcher stated that some items should be delivered to the Commission before the 12th hour.

Mr. Wentz said staff could add additional explanatory material.

President Henning said the form is not the type the Mayor can use.

Commissioner Pilcher said this item was received at the last minute, and she didn't feel she was in a position to vote on it.

Mr. Martin noted there is no service going to Potrero Hill.

Commissioner Sanger added that a map would show certain lines disappearing.

On motion of Commissioner McCrea, seconded by Commissioner Pilcher, the Commission voted unanimously to put the matter over for two weeks.

Mr. Green said the Mayor has requested that a program be started to clear all bus zones by District.

Commissioner Pilcher said she hoped staff can explore the possibility of tow-a-ways in all bus zones.

Mr. Green added that the police do not clear the bus zones.

WHEREUPON THE MEETING ADJOURNED: 7:30 p.m.

ROMAINE A. SMITH
Secretary

As the Commission takes the lead in

President Johnson said he knew the fact that he was

12-10-1961

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178
MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:37 P.M.

April 25, 1978

MAY 10 1978

DECLASSIFIED
SEP 5 1980

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:37 p.m.

Present: Commissioners Claire C. Pilcher, H. Welton Flynn,
Peter McCrea, John M. Sanger

Absent: Commissioner John F. Henning

In the absence of Commissioner Henning, Commissioner Pilcher presided over the meeting.

APPROVAL OF MINUTES

The minutes of April 11, 1978 were approved as corrected:

On page 78-79 of the minutes of April 11, 1978, Commissioner Pilcher corrected her comment regarding tow-a-ways to read as follows, "Commissioner Pilcher said she hoped the possibility of tow-a-ways in all bus zones can be explored."

Commissioner John M. Sanger referred to Resolution No. 78-0160 on page 78-79, and directed that the item read as follows, "Authorizing the General Manager of Public Utilities and his staff to prepare an updated report of Muni's storage and maintenance problems, withdrawing the Playland site from consideration, reactivating the Presidio Commissary site and other sites as potential locations for a bus storage and maintenance facility."

Discussion preceding adoption of resolutions is attached.

RESOLUTION

NO

On motion of McCrea, seconded by Flynn the following resolution was adopted:

78-0173 W Approving revision of schedules of rates and charges to be charged for water service in San Francisco and suburban areas.

Vote: Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0174 HH Setting Tuesday, May 23, 1978, at 2:30 p.m., for public hearing to consider the adoption of rate schedules to be charged by the Public Utilities Commission for furnishing Hetch Hetchy power to private consumers and municipal departments of the City and County of San Francisco.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

78-0175 HH Approving Department of Public Works' proposal for construction of new street lighting on Evans Avenue from Phelps Street to Third Street.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0176 HH Authorizing bid call for BLHP Contract No. 195 for Relamping of City-owned Street Lighting Systems, fiscal year 1978-79. Estimated Cost, \$90,000.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

78-0177 HH

Authorizing bid call for Contract No. 595 for Moccasin Sewage Plant, Replace Sanitary Sewer Line. Estimated Cost, \$25,000.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0178 HH

Approving modification in the debit amount of \$11,145.19 to provide funds for additional work under HH Contract No. 536, Streetcar Overhead System, West Portal Avenue, Conversion for Pantograph Operation and Related Street Lighting Work. (Power Improvement Program/ Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0179 HH

Accepting as satisfactorily completed work under HH Contract No. 557, Paint Steel Trolley Poles, Various Locations; approving debit modification of \$2,852; and authorizing final payment of \$6,683.60 to Giampolini and Company, Contractor.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0180 W

Awarding WD Contract No. 1745- 30" Steel Main Installation in Howard Street between 3rd and 4th Streets- to Dalton Construction Co., South San Francisco, in the net amount of \$66,970. (Deferred from meeting of April 11, 1978)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0181 W

Modifying the Resale Customers Contract with the City of San Jose to establish a schedule of minimum and maximum requirements of delivery and extending the Resale Customer's Contract to July 1, 1981.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0182 W

Approving and authorizing the execution of a 114.06 acre lease of former tide lands in Alameda County to the U.S. Department of the Interior for management of a wildlife refuge for a term of 25 years commencing upon complete execution of lease, plus an option to extend the term thereof for an additional 25 years.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0183 W Authorizing and approving an assignment of agricultural lease dated March 27, 1973 and amended December 25, 1975, covering approximately 10 acres, located in Alameda County, by and between City's lessee, Phil K. Kimura, Assignor, and Nagata Farms, Assignee; Assignor to remain liable and bound to City in accordance with conditions of aforesaid lease; Assignee to comply with said terms and conditions, including insurance and bond requirements; no further assignment of lease or subletting of leased premises to be made without written consent of Commission.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0184 M Responding to the Mayor's request for a contingency plan for a reduced level of Municipal Railway operations in the event that Proposition 13-Jarvis Gann Initiative- passes, and directing the General Manager to transmit such plan to the Mayor. (Deferred from meeting of April 11, 1978)

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

- 78-0185 M Requesting that the proposed Charter Amendment to establish a Municipal Railway Commission be tabled, until it can be considered along with other proposals for a Transportation Commission, and reiterating the Public Utilities Commission position that it is not opposed to the concept of a Transportation Commission.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

- 78-0186 M Directing the General Manager of Public Utilities to advise the Board of Supervisors that the Commission is not opposed to exploring the idea of utilizing the Melbourne streetcars in the Embarcadero area, but needs additional information regarding the nature of the operation and potential funding sources.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

- 78-0187 M Approving modification No. 1 in the credit amount of \$3,839.53 to delete the construction of all work between Stations 0+00 and 0+30 and the replacement of pavement between Stations 0+00 and 1+15, under Contract No. MR-655-Construction of Vibration Isolators in 46th Ave., Ulloa Street to Taraval Street. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

- 78-0188 M Approving modification No. 1 in the debit amount of \$2,950 to insulate two fare collection buildings under Contract No. MR-653-Fare Collection Buildings, Kirkland and Presidio Yards. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

- 78-0189 M Approving modification No. 2 in the debit amount of \$700 to provide for one track drain under Contract No. MR-647- J-Church Line Track Reconstruction, 22nd Street to 30th Street. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0190 M Approving travel expense vouchers in the amount of \$507.70 covering expenses for George L. Newkirk, Employment Contracts Compliance Officer, incurred in his trip to Washington, D.C., for the purpose of attending an UMTA seminar.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0192 M Approving payment of claims, amount \$63,612.75, from Municipal Railway revolving fund, month of March, 1978.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

- 78-0172 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$31,700.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

- 78-0193 GC Opposing proposed State legislation AB3404 and SB1733 exempting fares, rates tolls and other charges from the requirements of the Environmental Quality Act, and advising the Legislative Committee of the City and County of San Francisco to urge the legislature to take appropriate action to assist cities to cope with the financial impact of the Jarvis-Gann Initiative, should it pass, including under those conditions, the waiving of the requirement for an EIR for fare increase.

Vote: Pilcher, Flynn, McCrea, Sanger

THE UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

Approved for release by the
Director of the Federal Bureau of Investigation
on 11-10-60.

Subject: [REDACTED]
Reference: [REDACTED]

Approved for release by the
Director of the Federal Bureau of Investigation
on 11-10-60.

Subject: [REDACTED]
Reference: [REDACTED]

Approved for release by the
Director of the Federal Bureau of Investigation
on 11-10-60.

Subject: [REDACTED]
Reference: [REDACTED]

Approved for release by the
Director of the Federal Bureau of Investigation
on 11-10-60.

Subject: [REDACTED]
Reference: [REDACTED]

Approved for release by the
Director of the Federal Bureau of Investigation
on 11-10-60.

Subject: [REDACTED]
Reference: [REDACTED]

Approved for release by the
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Subject: [REDACTED]
Reference: [REDACTED]

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz
Water Usage

Mr. Wentz reported that water usage for the past week is 45% of the normal year. Mr. Boyd predicts that in mid-May there will be a marked reduction in that percentage of usage.

Trolley Coach Overhead and TDA Grant Applications

The Finance Committee approved both of these items on April 12, 1978, with the stipulation on the trolley coach overhead project that other capital funds be used for the local match before Hetch Hetchy funds are used. The Board of Supervisors approved these items on April 17, 1978, with that stipulation.

SPUR (San Francisco Planning and Urban Research Association)

Mr. Wentz said he has been invited to speak on May 18, 1978, at the SPUR meeting on the PUC audit, and hopes Commissioners will attend.

Cable Car Items

The Board of Supervisors on April 24, 1978, referred to Committee the two cable car items. It is hoped first attention can be given on May 9, 1978, to the traffic plan.

Marina Green Tracks

On April 24, 1978, the Board of Supervisors adopted a resolution authorizing work to go ahead with replacement of the tracks following construction of the sewer. On motion of Supervisor Quentin L. Kopp, the resolution was amended to say as a policy statement that the Board disapproved of any use of the tracks other than for military purposes.

Commissioner McCrea asked why the Commission was not informed of the Finance Committee meetings to hear the budget of the PUC.

Mr. Wentz stated that President Henning had been informed, and he apologized for not informing all Commissioners.

Given the crucial nature of the budget, Commissioner McCrea stated he thought it was a mistake.

Resolution No. 78-0173--PUBLIC HEARING to consider revision of Schedules of rates and charges to be charged for water service in San Francisco and suburban areas.

Mr. Kenneth R. Boyd, General Manager, S.F. Water Department, stated that a month ago a public hearing was held by the Commission concerning water rates and charges for the next fiscal year. At that time the Water Department suggested, and the Commission accepted the suggestion that the matter be put over one month. He said last month the Department would have had to recommend a 6-1/2 percent increase. At this time, in cooperation with the Mayor's Office during budget review, proposed operational expenditures have been reduced nearly \$500,000, and proposed capital expenditures have been reduced over \$2,300,000. The Department is now going back to its first

recommendation that there be no increase or decrease in the revenues that the rates will produce. This means there will be no rate increase or decrease for resale customers. In deriving revenues from San Francisco the antiquated 6-rate block system would be given up, whereby the more water used the cheaper it gets, and a single rate system would be adopted of 37¢ per 100 cubic feet.

According to consultant, there would be minor changes in the service charges in San Francisco. They would be more equitably distributed on the basis of demand on the system. Mr. Boyd said this is all presented in the Brown and Caldwell report.

In looking again through the proposed rates, Commissioner Sanger said he had one question. He said he didn't know whether or not this had to do with litigation, but asked if there is a proposal to go to a single rate outside San Francisco.

Mr. Boyd replied that on advice from the City Attorney it might disturb the prohibitory injunction were rate structures to be changed outside San Francisco.

Commissioner Sanger asked, "Even if it produced the same total amount of revenue?"

Mr. Boyd replied it is not that predictable, and could cause an imbalance.

Commissioner Sanger asked if this question will be pursued, and Mr. Boyd replied that the case in court is being pursued. It is desired to have the matter resolved in federal court, so it will be determined if differential rates can be charged.

The meeting was then opened to the public.

Col. Robert L. Rhea, of Westborough Water District, said that in view of Mr. Boyd's remarks, he would pass.

Mr. Richard Lesser of United Air Lines began to read a statement.

Responding to a question from Commissioner McCrea regarding the affect of the proposed rates on United Air Lines, Mr. Boyd explained that the Department bills the Airport and the Airport bills the customers.

Commissioner McCrea asked if United Air Lines is under the court injunction.

Mr. George E. Baglin, Utilities General Counsel, said he didn't believe anyone at the Airport is under the injunction.

Mr. Boyd said United Air Lines will be treated as a suburban customer.

Mr. Lesser stated that United Air Lines is the largest single user of water at the Airport. Charges to customers for water consumed should bear a reasonable relationship to the cost incurred by the City in delivering that water. Water revenues should match costs, and UAL recognizes a reasonable return on investment. The Water Department is a service organization. If these two concepts are accepted the flat rate concept must be rejected, as it ignores the characteristics of the actual costs incurred. For example, in 1977, UAL used approximately 250,000 units of water. The average residential consumer used less than 100 units. Administrative costs, such as meter reading, accounting, billing etc., are virtually independent of volume. The same is true of the plumbing network. He said in summary that adoption of a flat rate concept will result in an unfair distribution of Water Department cost. The penalty UAL will face in 1978 will be an estimated \$10,000. UAL recommends a

continuation of the variable plan partly based on volume.

Mr. Claude W. Scovill, General Manager of Parkmerced, read a statement opposing the proposed rate structure, copy of which is attached and made a part of these minutes.

Mr. George Detweiler of Stonestown Apartments stated Stonestown Apartments has the same reasons as Parkmerced for feeling special consideration is deserved. These apartments are also on a single meter and irrigate a lot of open space, which was mandated by the City.

Based on calculations given by Mr. Boyd, Commissioner Sanger stated that the average bill after the conversion will be approximately \$2 higher per apartment for Parkmerced and Stonestown.

Mr. Arthur S. Hecht, representing the senior community, said he concurred with the opinions of Mr. Boyd. He said the straight rate as proposed seems to be in line with the current thinking of all utilities. His organization favors the Water Department proposal, with some exceptions. Mr. Hecht read a statement, copy of which is attached and made a part of these minutes.

During discussion of a lifeline rate, Commissioner Pilcher stated that a household can use 50 gallons of water a day and the water bill will be \$1.79. If the bill were reduced to about \$1.59 per month, the administrative costs of this reduction of 20¢ a month might be such that the expenditure on the part of the public would be prohibitive.

Commissioner Sanger stated he has been trying to figure out ways to reduce the basic rate or create a lifeline rate. He said he would support a study during the next 6 months or a year to see if something better can be done. He said it occurred to him that 70 percent of households in San Francisco consist of one or two people. That leaves only 30 percent who belong to larger groups. If the benefits of a lifeline rate are given to 70 percent of the population, the other 30 percent will have to bear the burden, and they are the smaller group, so the burden will be correspondingly larger. Therefore, the larger families are going to pay substantially more money in order to subsidize single people and couples. He said this is a disadvantage of Mr. Hecht's proposal, even if a way could be found to implement it.

Mr. Boyd stated that Brown and Caldwell went very deeply into lifeline rates and showed several alternatives, all of which are fundamentally tokenism.

Commissioner Sanger said that Brown and Caldwell did not actually come up with a proposed rate schedule that would be called lifeline.

Commissioner Flynn asked about customers who are getting free water.

Mr. Boyd explained that so-called free water is given to all City Departments within San Francisco which are funded only from ad valorem taxes.

Mr. Ray McDevitt, Attorney, representing Bay Area Water Users Association, said his organization supports the Water Department's recommendation of no increase in water rates at this time.

The Board of Supervisors in San Mateo County has gone on record to hold the line on water rate increases. He requested that the Commission reconsider its decision in February to alter its long standing practice of supplying electric energy to San Francisco Water Department at a single rate.

Mr. Wentz said the concept of applying higher power rates outside San Francisco to the San Francisco Water Department is in the process of being changed. Under the new proposal there will be no difference in electric rates for the Water Department for use inside or outside the City. A hearing will be held next month for furnishing Hetch Hetchy power to private consumers and municipal departments of the City and County of San Francisco.

Mary Goodsell of Parkmerced Residents Organization, said that in July, 1977, the residents suffered a 43 percent increase in water rates. She said it is terrible that when they have learned to save water they are going to be charged a higher rate- that it is perhaps time to look more carefully at the audit just made - public to see if there are alternate methods to charging higher rates. There are still provisions for penalties. After one warning the Water Department may install flow restricting devices. For those people who are having service installations there are connection charges established by the Water Department each year. These charges should come before the Commission.

Commissioner Pilcher advised that the same budget analyst who did the audit recommended that the Department not reduce the surcharge by 12 percent, which the Commission voted to do earlier this year.

Commissioner Sanger asked Mrs. Goodsell what her bills were in 1976. She replied she lived in Parkmerced, and when her lease came up in December, 1977, she was told \$10 of the rent increase was covered by water and sewage charges.

Commissioner McCrea pointed out that if she were conserving at the average rate for San Francisco, the cost of water did not go up at all. Unit water rates have gone up, but the cost of buying water hasn't risen. He said that if she were stuck with a \$10 increase on the basis that the cost of water had gone up, she should speak to her landlord.

Mr. Boyd pointed out that at the same time a drought surcharge was instituted, a 10 percent cost of living increase was added. However, if 25 percent water was saved, the bill couldn't have gone up.

Commissioner Sanger said he saved 50 percent on water, and his bill went down.

Mr. Boyd said he would be glad to sit down with the tenant group and management of Parkmerced in order to get to the absolute cost factor involved.

Commissioner Pilcher said the sewer charge was formerly included in tax bills. Now the Water Department has the task of billing and collecting it. She said Mrs. Goodsell should speak to the Board of Supervisors regarding the sewer service charge.

Commissioner Sanger asked Mr. Boyd if the Water Department intends to further explore options for lowering the minimum charges for water in the next year.

Mr. Boyd replied that during the next few months the Department will go more deeply into any methods that can bring lower rates to those of limited means.

ITEM NO. 32--Discussion of report on status of Municipal Railway equipment and vehicle maintenance program.

This item was taken out of order.

Mr. Curtis E. Green, General Manager, Municipal Railway, introduced Chief Dale Fargo of the California Highway Patrol. He said the CHP did a recent inspection after working a year with Muni.

Chief Fargo reported that the CHP inspected 50 buses and noted a remarkable improvement over the previous inspection. They now have a "B" rating, which is average. CHP will continue inspections and continue working with Mr. Green and Muni staff to bring Muni up to an "A" rating.

On behalf of the Commission, Commissioner McCrea thanked Chief Fargo for the effort his staff has made in providing safe transportation for the City.

Chief Fargo stated the CHP had great support from Muni staff.

Commissioner Flynn said tribute should be paid to Barney Leader and Frank Baggetta, Acting Transit Equipment Supervisor.

Mr. Maurice Klebolt of CAPTrans said Mr. Green and his maintenance staff, including "Frank and Barney" should be commended. He said CAPTrans sent Captain Fargo a notice of commendation, as well as one to the Board of Supervisors.

Commissioner McCrea challenged Mr. Klebolt regarding his statements before the Board of Supervisors on Muni's maintenance staffing.

Mr. Klebolt said he attended the Board of Supervisors budget hearing, and he did not say positions were not needed. He said he would not take abuse from Commissioner McCrea.

Commissioner McCrea said it would be nice if Muni staff could speak for itself- Mr. Klebolt is not needed to tell the Board of Supervisors about staff.

Commissioner Pilcher commended everyone involved with Muni and the CHP.

Mr. Wentz referred to a letter from APTA dated April 19, 1978. He said the Safety Committee was greatly impressed with Muni's great progress in safety. Muni just missed achieving an award, and can be proud of the safety improvement in 1977.

Mr. Frank Baggetta explained the status of the vehicle maintenance programs by the use of a series of charts dealing with what is happening to equipment after it is put on the street.

Mr. Baggetta said one of the problems is with personnel. Of an authorized 448 permanent positions, 28 are now vacant. 101 of the positions are temporary. There is a problem, especially in the supervisory class. Also, there is a problem in cases where mechanics went to work for Yellow Cab Co. Of 63 Title II positions 10 are vacant. They are all filled by temporary appointment.

Mr. Baggetta explained the missed runs on a monthly basis for diesel buses, streetcars and trolley coaches; miles per defect; road calls per month; and number of vehicles sent into the barn.

Commissioner McCrea said he was concerned about the miles per defect record of trolley coaches, as there is a very large fleet of spares.

Mr. Baggetta said the trolley coaches are from 1 to 2 years old, and staff is still in the process of making factory modifications.

Responding to a question from Commissioner Sanger, Mr. Green said there are no missed runs on trolley coaches, as there are spares.

Commissioner McCrea asked if the work of UTDC is useable.

Mr. Baggetta replied he has not seen the reports but expects many of the UTDC recommendations will have merit if properly implemented.

Commissioners Flynn and McCrea asked that another report on equipment status be made in two months.

Commissioner Sanger asked why cable car road calls show a trend upward.

Mr. Rod Bartholomew, Acting General Manager, Operations and Administration, said there have been new employments, and it takes time to train them. Inspectors formerly made cut outs rather than send the shop out on a road call. That program was set aside to use inspectors elsewhere. Mr. Bartholomew said he is sure that road calls will be cut drastically this coming month.

Resolution No. 78-0178--Approving modification in the debit amount of \$11,145.19 to provide funds for additional work under HH Contract No. 536, Streetcar Overhead System, West Portal Ave., Conversion for Pantograph Operation and Related Street Lighting Work.

Commissioner Sanger asked if there will be an additional number of poles and who determines the placement and number of poles.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power, said there are existing street standards, and where possible these are used. He said this is possible in most of the contracts, and it is easier to accomplish under the Power Improvement Program.

ITEM NO. 15--Declaring HH Railroad right-of-way parcel Nos. 409 (1), 409 (2), 410, 411 and 412 in Tuolumne County surplus; and requesting the Director of Property to prepare the necessary legislation for submission to the Board of Supervisors, authorizing the sale of surplus property in two separate parcels as shown on Hetch Hetchy Water and Power Drawing No. A-1452, Rev. 1.

Mr. Oral L. Moore stated a public hearing was held at Moccasin on March 16, 1978. It is still the recommendation of staff that the property be sold. After the hearing it was decided that the land should be sold in two parcels, since the parcels are bounded by lands of different owners.

Commissioner Sanger commented there must be a complex of ownerships around the parcels.

Mr. Moore stated that Hetch Hetchy parcels are right-of-way strips, and he believes there is a complex of ownerships.

Commissioner Sanger asked why the Department is recommending the sale. Mr. Moore stated that the property was utilized for a right-of-way for Hetch Hetchy Railroad. It was used until 1948, when service was abandoned and the rails were pulled up. In later years passengers were carried. The railroad was originally used in construction of the dam site. In the past quite a few parcels were sold. These parcels serve no function for Hetch Hetchy, but taxes must be paid.

Commissioner Sanger noted there is no continuity of the strips, and Mr. Moore said much of the land is in Federal ownership. The Department sells parcels if someone expresses interest. It is sold by the Director of Property at public auction.

Commissioner McCrea commented that of the 4 parcels offered for sale, only one is within Modland property. He asked why Modland is interested by buying the other parcels. Mr. Moore replied that he did not know.

Commissioner McCrea said that in reading the notes of the hearing, he was disturbed to find there was much resentment by those people who had land expropriated from them or their predecessors. He said he shares that feeling.

Mr. Moore said he was inclined to agree, but there is no deed restriction-- the land must be sold to the highest bidder.

Commissioner Sanger asked about the \$96 a year in taxes, and Mr. Moore replied that when Modland Corporation develops adjacent land, sales value will climb.

Responding to a question from Commissioner McCrea, Mr. George E. Baglin, Utilities General Counsel, stated that the Department has no right to give preference-- the land must be sold to the highest bidder.

Mr. Quinten L. Welch of Groveland, California, said he owns property on the right-of-way. He said Modland Corporation wants to buy property for an easement, and they will endeavor to condemn his property on the old right-of-way. He said this would take away his privacy. He said six people own property on that grade.

Commissioner Sanger asked if Modland Corporation would want the land as an easement so it would not have to construct an access road.

Mr. Welch replied that the property on which his land is situated has a good grade. The other portion is very steep, and it would be necessary to construct a bridge.

Mr. Ed Kearns, Sales Administrator from Modland Corporation, said he was present as an observer. He said the Corporation has a 63-acre parcel and three 20-acre parcels, which were purchased from a judge in Groveland about 1-1/2 years ago. The land was purchased primarily to develop and subdivide. It has been subdivided.

Commissioner Pilcher asked if there is access to the lots. Mr. Kearns said there is access from several roads, of which none are improved to County standards.

Commissioner Flynn moved, Commissioner McCrea seconded, and the Commission voted unanimously to reject the proposed sale.

Resolution No. 78-0180--Awarding WD Contract No. 1745- 30" Steel Main Installation in Howard Street between 3rd and 4th Streets to Dalton Construction Co., South San Francisco, in the net amount of \$66,970. (Deferred from meeting of April 11, 1978)

Mr. Kenneth R. Boyd, reported that funds have been transferred by work order to the Water Department, and these funds are on deposit for this new work.

Resolution . 78-0182--Approving and authorizing the execution of a 114.06 acre lease of former tide lands in Alameda County to the U.S. Department of the Interior for management of a wildlife refuge for a term of 25 years commencing upon complete execution of lease, plus an option to extend the term thereof for an additional 25 years.

Mr. Boyd stated there is no gain for the Water Department, but the area next to the Bay will be made more acceptable. This is land across which Water Department pipes pass. The wildlife refuge will to a small extent keep trespassers out of the area.

Commissioner Pilcher asked if the land could be sold for housing, and Mr. Boyd replied that houses cannot be built on the mud flats.

Commissioner Sanger stated it ought to be made clear that this is an outright give-a-way.

Mr. Boyd said the lease does call for a certain amount of maintenance, for which Congress must make money available. The Water Department will continue paying taxes.

Resolution No. 78-0183--Authorizing and approving an assignment of agricultural lease dated March 27, 1973 and amended November 25, 1975, covering approximately 10 acres, located in Alameda County, by and between City's lessee, Phil K. Kimura, Assignor, and Nagata Farms, Assignee; Assignor to remain liable and bound to City in accordance with conditions of aforesaid lease; Assignee to comply with said terms and conditions, including insurance and bond requirements; no further assignment of lease or subletting of leased premises to be made without written consent of Commission.

Mr. Boyd explained that the original lessee is still bound and responsible, but he is gradually retiring.

Commissioner Sanger noted that the lease expires in 6-months, and asked why it is not being renegotiated.

Mr. Boyd explained that as this lease was written the Department does not have the authority to renegotiate an assignment. Any new leases would be renegotiated at the time of assignment.

Commissioner Pilcher asked if the City Attorney's office is going over leases with a fine tooth comb.

Mr. Boyd stated that Mr. Richard Tanaka, Manager, Agriculture and Land Division, is reappraising Water Department leases.

Resolution No. 78-0184--Responding to the Mayor's request for a contingency plan for a reduced level of Municipal Railway operations in the event that Proposition 13- Jarvis-Gann Initiative passes, and directing the General Manager to transmit such plan to the Mayor. (Deferred from meeting of April 11, 1978)

Mr. Green referred to four maps posted on the wall. He said that if Proposition 13 is approved only a minimum amount of financial support is to be expected from the ad valorem tax base. Highest priority should be given to transporting the public to schools and work. Any plan should incorporate assumptions which would result in savings or produce revenue. Forestalling inauguration of Muni Metro service would reduce expenditures by \$2,800,000. Alternative fare increases would be proposed. The Mayor would be asked to declare a state of emergency to allow platform operators not to be paid at 1-1/2 for overtime. Salary increases for 1978-79 would not be allowed for miscellaneous and craft employments. This would save \$700,000. Useful, but non-essential services such as public information, etc., would be deleted, saving \$767,000. The Trust fund would be eliminated, allowing a reduction of \$2 million. CETA positions would be eliminated.

Mr. Green said Muni staff has put together 16 alternative contingency plans by means of four maps. He said staff does not recommend or endorse anyone of them. If Proposition 13 did pass, this would be a base from which to further refine proposals. Until the election staff will be continuing to refine them.

Commissioner Pilcher commented that information services would be necessary and would have to be doubled or quadrupled. She asked if staff had tried to implement the POM study in their alternatives.

Mr. Green replied, "no", and said staff had tried to maintain basic trunk lines, and to feed lines into trunk lines or BART.

Commissioner McCrea said he would hate to see the maps and end up in a drawer in the Mayor's office, as they are a powerful graphic display of the kinds of concerns that will flow out of the Jarvis-Gann Initiative.

He said the next phase of the plan should be how to get public input.

Mr. Wentz explained that the entire process, including budgetary action by the Mayor's office and the Board of Supervisors, would have to take place in three weeks. The new plan has to be operating by July 1, 1978. He said if the work done could be transmitted to the Mayor's office, public hearings could be calendared before the Commission.

Commissioner Pilcher said the Commission would like to come up with plans which could be lived with. Also, as so much money was spent on the POM study, it should be used where possible.

Mr. Wentz stated that Commissioner McCrea thinks Mr. Green was influenced by the POM study.

Commissioner McCrea said perhaps the planning staff should put together a full time task force to begin grappling with the problem and bring to the Commission some ideas. More work is needed before Commission can pick one or more alternatives. A fare increase cannot be obtained in 3 weeks. Some minimum level of ad valorem tax support will have to be set in order to run buses at all.

Mr. Lynn Pio of Muni then explained by means of the maps the various alternatives, stating that the red lines refer to normal service, and the green lines to some level of reduced service.

Commissioner Pilcher asked about the number of patrons that could be carried on each plan opposed to the number now carried.

Mr. Wentz explained that the dollars can be turned into the number of people.

Commissioner McCrea said it was a first class job of presentation.

Commissioner Sanger suggested adding in yellow on the maps what has been lost.

Commissioner McCrea said he would like to see the presentation turned into a press release, stating what is being dropped out.

Mr. Lawrence B. Martin, President, TWU Local 250-A, said the number of each line should be indicated.

Mr. Norman Rolfe of San Francisco Tomorrow suggested that public hearings be held as rapidly as possible in as many parts of the City as possible.

Commissioner McCrea said he would like staff to come back in two weeks with a plan for dealing with public hearings.

Mr. Martin said Muni should be first on the calendar when this issue comes up, to which Commissioner Pilcher agreed.

Commissioner Sanger made a motion adding another resolved to the resolution, as follows: "RESOLVED, That the PUC finds that passage of State Proposition 13- Jarvis-Gann Initiative would severely curtail transit services in San Francisco and/or require sizeable fare increases causing hardship and deprivation to City residents as well as non-resident commuters and tourists; and directs the General Manager to transmit that finding to the Mayor, the Board of Supervisors and to the general public."

Commissioner McCrea seconded the motion, which was unanimously passed by the Commission.

Mr. Klebolt said he would like to apologize for his outburst earlier. He said at the budget hearing in question there was some lack of communication regarding his testimony, and Commissioner McCrea chose to berate him publicly. He said he had a communication from Supervisor Quentin L. Kopp asking CAPTrans to render a position on the new positions requested by Muni in the budget. Mr. Klebolt asked if any attempt has been made as to the possibility of alternate sources of funding other than ad valorem taxes should the Jarvis-Gann Initiative pass. He said perhaps an effort could be made to divert funds from Highway money.

Mr. Wentz said inquiries have been made, but there have been no commitments.

Commissioner Sanger said he would hate to do anything suggesting the Commission could live with Proposition 13.

Commissioner Pilcher said she thought Mr. Klebolt's publication (the CAPTrans Newsletter) could be used to better advantage if it suggested positive alternatives and approaches.

Mr. Klebolt replied that he did not believe City employees should be used to attack political issues.

Commissioner McCrea asked, "Who is in a better position to enunciate the effects of Jarvis-Gann than the people who are going to have to manage the system without money?"

Mr. Klebolt replied, "The Mayor".

Commissioner Pilcher asked if he thought the public and the PUC should remain silent.

Commissioner McCrea said the various proposals will have to be refined down to something that can be implemented.

ITEM NO. 21--Authorizing the execution of Amendment No. 1 to the Professional Services Agreement with Thomas T. Lunde, Inc., under which Lunde would provide consultant and design services for improvement of the operating characteristics of the cable cars, subject to the concurrence of UMTA. (Transit Improvement Program)

Commissioner Sanger asked if this particular study, as well as the Chin Hensolt study, are both designed to lead to some application for funding.

Mr. Rino Bei, Program Manager, Transit Improvement Program, said these studies are included in T.I.P. The Chin and Hensolt study has two phases, one of which has been approved by UMTA. The car itself will be utilized and the trackway will be rehabilitated.

Responding to a question from Commissioner McCrea, Mr. Bei stated that a combination of the two studies will result in rehabilitation of the system, and that Mr. Lunde's work is an integral part of the long range objective.

Commissioner Sanger stated that the design changes in the cars going along independently from the Chin and Hensolt study could have some adverse effect.

Mr. Bei said that Mr. Lunde is in touch with Chin and Hensolt.

Commissioner McCrea asked if Mr. Bei were taking it on himself to ascertain that this coordination is carried out. Mr. Bei replied affirmatively, and stated that both consulting contracts

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are under T.I.P. He said the system now has safety and operating problems. He stated that Muni cannot continue to operate with antiquated equipment. The system should be improved to make it safer and to make it last another 50 or 100 years.

Commissioner McCrea asked if Chin and Hensolt and Mr. Lunde are both responsible for identifying and designing mechanical improvements without changing the basic character of the car.

Mr. Bei replied that the car will look the same in appearance.

Commissioner Pilcher commented that it is not desired to have a Disneyland imitation of a cable car.

Mr. Curtis E. Green stated that Muni has been criticized about lack of safety, and there is a tremendous problem in transversing some of the hills. He said he believed that some modern technology could be used.

Commissioner Sanger said that if he were convinced that every effort had been made to maintain the 1890 cable car system he would be more willing to contemplate some further improvements of a technological nature.

Mr. Green commented that every change that both consultants recommended would have to come before the Commission.

Mr. Bei stated that the cable car system today is worn out, but it is still going to be a cable car. Improvements will be made in the trackway and the under carriage and brakes.

Commissioner McCrea stated he is not sure what Mr. Lunde is going to change, but it will cost \$50,000 to obtain a new set of drawings. He suggested that Mr. Lunde be paid \$5,000 to provide Commission and staff an idea of what he is proposing to do.

Mr. Thomas T. Lunde, of Thomas T. Lunde, Inc., stated that he is a mechanical engineer. He said he has prepared 70 plans for the purpose of improving the present cable cars and maintaining them. During the course of preparation of drawings based on the original scope of work it became evident that it was possible to redesign portions of the cable car underframe and running gear to give substantial safety improvements. No one could have foreseen that. The present cable cars are hand made, and very few of the parts are on the market off the shelf. They have to be made by hand. His firm made 70 plans, and there is no assurance that any part will fit more than the car for which measurements were taken. In 1870 when the cars were invented and built, the engineers were the mechanics. That is no longer the case. When something wears out today, he said, "We don't get a new piece--we get a new car". There are a lot of accidents with mechanical brakes, as the mechanical brake is unfeasible on steep hills because it is physically impossible to make sure that all 8 wheels receive the same amount of braking. Hydraulic brakes should be used to achieve safety in the cars.

Commissioner McCrea said he tended to agree that there are some mechanical improvements that can be made to the car. He said that before drafting up drawings he thought it would be wise for the Commission to spend time with Mr. Lunde going through item by item those items he would like to put into the design.

Commissioner Pilcher said what initially alarmed the Commission was the fact that the original contract was for \$24,000. Then Mr. Lunde thought of improvements which would raise the payment to almost \$73,000. She said she thought Commission should make sure it is money that will be well spent.

Mr. Lunde said the job is a real challenge to him, as he is "sort of an inventor".

Commissioner Sanger said there is a significant difference between establishing parts interchangeability and the installation of a complete new type of brake system. He said he would like to see some justification for the major changes in the technology of the cable car system.

Mr. Klebolt said, "There is a sleeping giant out there waiting for the call of the Commission." The cable cars are a national landmark. The Society of Archological Industrial Engineers, if called upon, will deliver an overview, and it is gratis. He suggested asking the National Trust for Historic Preservation in concert with the Society to make this overview.

Mr. Bei said Chin and Hensolt has a historical consultant, but that staff will follow up on Mr. Klebolt's suggestion. As the design develops, staff will report to the Cable Car Advisory Committee.

Mr. Norman Rolfe, a member of the Cable Car Advisory Committee, said he hoped the Committee will be advised.

Commissioner H. Welton Flynn said this is an amendment to the existing contract.

In summary, Mr. Wentz stated that the Commission would like a contract for a small amount of money adequate to outline the conceptual basis for attacking issues, and justification therefor.

Mr. Lawrence B. Martin, stated that cable car operations suffer from not having sufficient funds to take care of the present system. He said Commissioner Sanger and he operated a car, and had an opportunity to review many things which show what is lacking. People come to San Francisco to ride the cable cars and learn about the history of the cars. Changes might lose some tourist business.

Commissioner Pilcher directed staff to explore volunteer help available as suggested by Mr. Klebolt, and instructed that the item be continued.

Resolution No. 78-0185--Requesting that the proposed Charter Amendment to establish a Municipal Railway Commission be tabled until it can be considered along with other proposals for a Transportation Commission, and reiterating the PUC position that it is not opposed to the concept of a Transportation Commission.

Commissioner Sanger moved that the 2nd "WHEREAS" be deleted from the proposed resolution.

Commissioner McCrea said it seemed to him that the matter should be considered along with the Mayor's proposal, as it is very difficult to take a position on one or the other. He seconded deleting the second "WHEREAS". He suggested that the resolution read that the Commission feels the proposed amendment should be tabled until it can be considered together with other proposals for the creation of a Transportation Commission; and reiterating previously expressed view, etc.

All Commissioner voted "aye".

Commissioner McCrea said the Commission would like to have a look at the Mayor's proposal.

Mr. Wentz said because of the timing on which the Board of Supervisors is going to discuss the matter, there might have to be a special meeting to get input.

Commissioner Pilcher said she thought Item No. 31 was being discussed; that is is important the Board of Supervisors know that Commission is considering the concept of a Transportation Commission.

Commissioner McCrea said another sentence should be added instructing the General Manager of Public Utilities to advise the Board of Supervisors that the Commission plans to hold a public hearing or meeting at which all of these proposals will be discussed, and at that time a policy will be formulated for transmittal to the Board of Supervisors.

Commissioner Pilcher stated the second and third paragraphs of the proposed resolution should read as follows:

"RESOLVED, That this Commission feel the proposed Charter Amendment should be tabled until it can be considered along with other proposals for a Transportation Commission; and, be it further

"RESOLVED, That the Commission instruct the General Manager of Public Utilities to advise the Board of Supervisors that the Commission will hold public hearings on this subject as soon as the Mayor has completed drafting his proposal for a Transportation Commission; and urging the Board of Supervisors to delay consideration of the matter until that is accomplished."

Resolution No. 78-0186--Directing the General Manager of Public Utilities to advise the Board of Supervisors that the Commission is not opposed to exploring the idea of utilizing the Melbourne streetcars in the Embarcadero area, but needs additional information regarding the nature of the operation and potential funding sources.

Commissioner McCrea stated that considering the way money is thrown around, he does not find staff's argument that expenditure of public funds for this purpose at this time would not be prudent a convincing one. He said Mr. Green's letter raises some extremely valid points, particularly concerning the condition of the cars, the availability of spare parts, and the gauge of the tracks.

Mr. Green stated that Seattle is to obtain some Melbourne cars, and so might be a source for such information

Commissioner McCrea stated that until additional information is obtained, the Commission is not in a position to advise the Board of Supervisors.

Mr. Green said that perhaps the PCC car would be the car to use on the Embarcadero north of Market Street.

Commissioner Flynn moved the item be taken off calendar until June 27, 1978, after Jarvis-Gann is decided. This motion died for lack of a second.

Mr. Klebolt said he would like to clear the air, and that the Commission was furnished data as a public service two years ago. A complete kit was assembled in Melbourne and a stack of blue prints on everything in the vehicle was forwarded.

Mr. Wentz said staff does not have the prints. Mr. Klebolt said he gave them to Commissioner Henning, who said he gave them to Mr. Bei. Mr. Bei stated he has never seen them.

Mr. Klebolt said he was sharing a letter from Senator Mills, who said he would like to see Commission approval.

Commissioner Sanger said he loves rail cars, and asked what is so special about these particular ones.

Mr. Klebolt replied they are the closest thing to a Victorian style streetcar. He said the cars are not worn out, and they are partially open air with hand crafted interiors. They simulate the cable cars. The cars are utilitarian, with controls at both ends.

Commissioner Sanger asked if the surplus PCC cars should be sold and the Melbourne cars brought to San Francisco.

Mr. Klebolt said it would cost \$75,000 to \$100,000 per car to rehabilitate the PCC cars.

Commissioner Pilcher asked how parts could be replaced and the cars maintained. Mr. Klebolt replied there is the same problem with PCC cars. He said the parts would be obtained--that is a part of the deal. He said two vehicles would be obtained for test purposes. The proposal is to work with the Melbourne Tramways Board on a short term lease, and with Quantas Airlines. If the City is interested, Quantas would be willing to provide funds for freight. If the cars are found unsuitable, they could be disposed of to Seattle, as Seattle is going to acquire 20 of them.

Commissioner Flynn inquired about the freight cost, and Mr. Klebolt said it would be \$3500 for two cars.

Commissioner McCrea asked if the budget provides for this.

Mr. Klebolt replied that Senator Mills has not committed funds. He said the Board of Directors of Quantas Airlines will not act without some interest being shown by the City. Quantas Airlines would like to show pictures of the Melbourne tram in San Francisco.

Commissioner Sanger inquired if the two cars would be a gift, to which Mr. Klebolt replied that is the implication.

Commissioner McCrea said he thinks it is worth pursuing, but would like to know more about the plan before endorsing it.

Commissioner Pilcher asked if there has been any investigation in terms of talking to Warren Simmons regarding funding. Mr. Klebolt replied that Mr. Simmons will not spend any money if the PUC is involved.

Commissioner McCrea moved that the Commission is not opposed to the exploration of the idea, and would like to explore it further and obtain specific answers to questions raised in Mr. Green's letter.

The Commission also desires answers on how the project would be funded.

Commissioner Sanger seconded the motion, which was unanimously passed by the Commission.

Resolution No. 78-0193--Opposing proposed State Legislation AB3404 and SB1733 exempting fares, rates, tolls and other charges from the requirements of the Environmental Quality Act, and advising the Legislative Committee of the City and County of San Francisco to urge the Legislature to take appropriate action to assist cities to cope with the financial impact of the Jarvis-Gann Initiative, should it pass, including, under those conditions, the waiving of the requirement for an EIR for fare increase.

Commissioner Sanger said he could not support the proposed position supporting AB3404 and SB1733. He said there could be significant impact on the environment, and the EIR process is relevant.

Mr. wWentz suggested a compromise--that the Commission support these bills only if the Jarvis-Gann Initiative passes.

Commissioner Sanger moved that the Commission oppose the proposed legislation, and advise the legislative committee to urge the legislature to take appropriate action to assist cities to cope with the financial impact of the Jarvis-Gann Initiative should it pass, including under those conditions, the waiving of the requirement for an EIR for fare increase.

Commissioner McCrea seconded the motion, which was unanimously adopted by the Commission.

Resolution No. 78-0194--Authorizing the General Manager of Public Utilities to submit a supplemental appropriation to provide for the increase in the City's contribution to the Retirement System for fiscal year 1978-79.

Commissioner Pilcher asked how much would be required for each Department.

Mr. Wentz supplied figures as follows:

Muni.....	\$1,125,000
Water Department.....	\$ 220,000
Hetch Hetchy Water & Power.....	\$ 102,000
General Office.....	\$ 7,937
EDP.....	\$ 10,384
BLH&P.....	\$ 3,996

THEREUPON THE MEETING WAS ADJOURNED: 6:37 p.m.

ROMAINE A. SMITH
Secretary

M I N U T E S

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:34 P.M.

May 9, 1978

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COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:34 p.m.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Welton Flynn and John M. Sanger

Absent: Commissioner Peter McCrea

The minutes of the regular meeting of April 25, 1978, were approved as amended.

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO.

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0196 M Approving Municipal Railway grant applications for National Mass Transportation Act Funding for operating purposes.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0197 HH Approving supplemental appropriation, amount \$100,000, to provide other professional services to assist the City Attorney's Office in litigations with the Irrigation Districts and the Airlines involving Hetch Hetchy rates.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0198 HH Approving supplemental appropriation, amount \$7,629, to provide funds to reflect a compensation adjustment for classes 7128 Powerhouse Superintendent and 7244 Power Plant Supervisor I, in accordance with Section IV (G) of the 1977-1978 Salary Standardization Ordinance for the period July 1, 1977 through June 30, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0199 HH Approving transfer of funds in the amount of \$2,645 from Permanent Salaries to Permanent Salaries- Gardeners to provide funds for the balance of the fiscal year, in accordance with Section 10.01 of the 1977-78 Annual Appropriation Ordinance.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0200 WD Approving supplemental appropriation, amount \$2,707, to provide funds to reflect a compensation adjustment for Class 5206 Associate Civil Engineer, in accordance with Section IV (G) of the 1977-78 Salary Standardization Ordinance for the period July 1, 1977-June 30, 1978.

1. The first of the two main parts of the report is a description of the work done during the year.

2. The second part is a summary of the results of the work.

3. The third part is a list of the references used in the report.

4. The fourth part is a list of the names of the people who have helped in the work.

5. The fifth part is a list of the names of the people who have helped in the work.

6. The sixth part is a list of the names of the people who have helped in the work.

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23. The twenty-third part is a list of the names of the people who have helped in the work.

24. The twenty-fourth part is a list of the names of the people who have helped in the work.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0201 WD

Approving transfer of funds in the amount of \$13,490 from Permanent Salaries to Permanent Salaries- Gardeners to provide funds for the balance of the fiscal year, in accordance with Section 10.01 of the 1977-78 Annual Appropriation Ordinance.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0202 WD

Approving collection of Water Department claims for damages against miscellaneous debtors, amount \$2,134.26, month of April, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0203 WD

Approving write-off of Water Department uncollectible accounts receivable more than 90 days past due, month of March, 1978, amount of \$6,825.31.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0204 M

Commending Operator Alvertis I. Davison for his service in promoting good-will throughout Australia.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0205 M

Commending Operator Franklin Smith for his concern for the safety of his passengers through heroic, unselfish actions.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0206 M

Recommending to the Purchaser of Supplies that award of Contract Proposal No. 725, Furnishing Fare Collection Equipment for Muni Metro, be made to Duncan Industries, Mass Transit Division of Qonaar Corporation, in the total base bid amount of \$1,560,669.00. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0207 M

Recommending to the Purchaser of Supplies that award of Contract Proposal No. 841 (Contract No. MR-629R), Furnish and Install UHF Base/Mobile Radio System, be made to Motorola, Inc., in the amount of \$1,777,082.00. (Transit Improvement Program)

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Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0208 M

Approving Contract Change Agreement No. 19 in the debit amount of \$24,002 to provide for various alterations in the work under Contract No. MR-617 Motor Coach Storage and Maintenance Facilities-Phase II, and requesting the San Francisco Municipal Railway Improvement Corporation to approve and execute Contract Change Agreement No. 19. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0209 M

Approving supplemental appropriation, amount \$112,451, to provide funds for payment of compensation to miscellaneous permanent salaried employees, in compliance with Charter Section 8.404.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0210 M

Approving payment of \$1,571.34 to licensed Private Investigator Arnold A. Jones for his services on the case of Floyd Johnson and Mary McCann v. City and County of San Francisco, Superior Court No. 688-552.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0211 M

Approving payment of \$1,361.20 to licensed Private Investigator Arnold A. Jones for his services in the case of Bessie Jackson v. City and County of San Francisco, Superior Court No. 686-506.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0212 M

Approving payment of \$1,149.82 to licensed Private Investigator Arnold A. Jones for his services in the case of Edward Williams v. City and County of San Francisco, Superior Court No. 679-770.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0213 M

Approving payment of \$669.40 to licensed Private Investigator Arnold A. Jones for his services in the case of Margarette Myles v. City and County of San Francisco, Superior Court No. 687-307.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0195 M

Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$28,474.90.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0214 GO

Confirming transfer of funds under \$10,000 and allotment requests, submitted by departments under PUC jurisdiction during the third quarter 1977-78, totalling \$5,578.642.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

COMMUNICATIONS

Commissioner Claire C. Pilcher referred to the administrative directive regarding public disclosures, stating that she has not seen a response to the A.C.L.U. letter that was prompted by Mr. Maurice Klebolt's letter having to do with Bulletin 75-6.

Mr. Curtis E. Green, General Manager, Municipal Railway, stated that Muni staff has been meeting with the City Attorney and general office staff, and shortly will submit a proposed response to the City Attorney for his perusal and acceptance as to form and legality.

Mr. John B. Wentz, General Manager, Public Utilities, advised that Mr. James H. Leonard, Director, Bureau of Public Service, has completed a proposed draft, which has been reviewed with the City Attorney. It has been forwarded to Mr. Green.

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President John F. Henning, Jr., noted for the record that he personally has received approximately 50 protests on the proposed route change of the 45-Greenwich line, and approximately 45 protests on the 24-Divisadero line. These communications follow neighborhood hearings on route recommendations by the Planning-Operations-Marketing Study.

Commissioner H. Welton Flynn stated that he has received about 35 protests regarding the proposed changes.

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz Water Consumption

Mr. Wentz noted that during the week of April 22-28, 1978, water usage was 47 percent down from usage in 1976, and during the week of April 29- May 5, 1978, water usage was 41 percent below the 1976 level; during four days this week, 38 percent.

Hetch Hetchy

Mr. Wentz referred to the Hetch Hetchy monthly report, stating that the Power Improvement Program is now in its 6th year and the end is in sight. Thirty-two million of the \$50.5 million project grant has been expended or encumbered.

Ninety-five percent of the engineering design contracts are now completed. Electrical reliability has improved markedly in recent months. Nine of Muni's 14 substations are completed and in service. The 10th will be energized later this month, and two more are under construction. Electrification of the new Market Street subway and the Twin Peaks Tunnel has been completed and tested by the Boeing test streetcars.

Cable Car Advisory Committee

This Committee held its first meeting May 2, 1978. Mr. Chin of Chin and Hensolt was present. Another meeting will be held May 11, 1978, at the cable car barn.

Jarvis-Gann Initiative

Mr. Wentz reported that staff did prepare an extensive press release, which went out to all the media. The Transport Workers Union is holding six meetings with members- not on city time, however. The Muni Coalition will hold a public meeting at 7:30 p.m., May 25, 1978, at which staff members will be present to respond to questions.

Investigation of the activities of the Communist Party in the United States, and the results of the investigation, are being made available to the public in the form of a report.

The report is being made available to the public in the form of a report, and the results of the investigation are being made available to the public in the form of a report.

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Mel Wax of the Mayor's Office advises that the Mayor will assume leadership in this matter. He will highlight Muni activities along with other activities at several press conferences. The City Attorney advises against any actions by the Public Utilities Commission or staff that could be interpreted as campaigning.

Board of Supervisors Actions

Mr. Wentz reported that on May 8, 1978, the Board of Supervisors unanimously approved the water rate proposal. The supplemental appropriation of \$30,000 for Muni Security Force-building renovation was approved. Approved for the first reading is the classification for Administrative Secretary, Public Utilities Commission. The Board of Supervisors also approved the modification of the shuttle bus routes.

Mayor's Draft of Charter Amendment on Reorganization of Public Utilities Commission & Creation of Transportation Commission

Mr. Wentz referred to a rough draft of reorganization proposals from the Mayor's Office, which was received May 8, 1978, at 4:00 p.m. He stated that the Mayor has asked for input prior to May 15, 1978, at which time Supervisor John L. Molinari intends to introduce the matter. Mr. Wentz commented that the Commission might wish to hold a public hearing on May 23, 1978, because the matter will be heard before the Legislative and Personnel Committee on May 25, 1978. He said a special meeting could be held later this week. Mr. Alan Lubliner of the Mayor's Office, Mr. Wentz said, has stated it would be feasible to give individual comments to the President, who could collate them and pass them on to the Mayor's Office.

President Henning stated that the latter procedure might constitute a violation of the Brown Act.

Commissioner John M. Sanger asked if, for the benefit of the public, it would be desirable for Mr. Lubliner to present a rough sketch regarding the proposal.

Mr. Alan Lubliner explained that basically the Mayor proposed over a month ago a restructuring of City government functions in the general areas of transportation and public utilities. The proposal is general in nature, and in subsequent months staff will be proceeding with drafts of legislation necessary to effect these proposed changes. A basic element of legislation is a Charter Amendment to go on the ballot in November, 1978.

A preliminary draft by the City Attorney was furnished to each Commissioner by the Mayor's Office. When revised and introduced, the Mayor will forward it to the Public Utilities Commission for response. Meanwhile input is welcome. Mr. Lubliner said the first page of the four page description summarizes that the Public Utilities Commission would be charged with operating, managing city-owned public utilities, and regulating certain privately-owned and franchised public utilities.

The new Transportation Commission would be charged with managing an integrated in-city transportation system, operating and managing the Municipal Railway, regulating the private components of the transportation system, and planning for the efficient operation of streets, public parking and other aspects of the city system.

1907-1908 to 1950

Existing departments whose functions would be effected are: Water Department, Hetch Hetchy, Wastewater and, through regulated franchise, solid waste management. Included, also would be several functions that are now split: Wastewater Management, Bureau of Sanitary Engineering and Water Pollution Control. Under Transportation, the functions of existing departments that would be effected are Municipal Railway, the Traffic Engineering Bureau of the Department of Public Works, the Parking Authority, the Police Department. (Vehicles for-hire licensing), and certain programs in the City Planning Department.

Mr. Lubliner explained that the next two pages show potential organization charts of the new commissions after restructuring. The intent in the Mayor's legislation will be not to specify in the Charter what the internal organization of the PUC and the Transportation Commission should be; this would be up to the PUC and the Transportation Commission. References to specific divisions and bureaus will not be made in the Charter Amendment. The last page answers some questions that have been asked about how the Commissions would be formed and the effective date of the legislation, approach, and related legislation, and financial support of the Municipal Railway. Commissioner Pilcher asked if another Charter Amendment which would create a Transportation Commission and place the other departments under the Chief Administrative Officer has been proposed.

Mr. Lubliner replied that Supervisor Dianne Feinstein had an item before the Legislative and Personnel Committee which was put over to late in May. This is not a Charter Amendment, but is a hearing on the audit report by the Board of Supervisor's Bureau of the Budget.

Mr. Wentz commented there is a Charter Amendment proposed by Supervisor Quentin Kopp for a Transportation Commission; and one for a Railway Commission, not encompassing all of the transportation elements, proposed by Supervisor Harvey Milk.

Mr. Lubliner said that Supervisor Kopp's proposal at this point would have the effect of leaving the PUC with Water Department and Hetch Hetchy.

Responding to a question from President Henning, Mr. Lubliner stated that Supervisor Kopp's proposal does not address itself to wastewater management. He said Supervisor Milk's proposal is for strictly a Municipal Railway Commission, similar to an Airports Commission.

Commissioner John M. Sanger asked if all of these have been referred to Legislative and Personnel Committee.

Mr. Lubliner stated that a hearing on all of them, with the exception of the audit report, is scheduled for May 25, 1978.

Commissioner H. Welton Flynn, asked, with reference to the financial support that has been given the Municipal Railway through Hetch Hetchy, if this is still a "grey area", or if it is now clear.

Mr. Lubliner stated that he understands the two areas of subsidy which have been given a dollar figure of some \$5 million are support and maintenance of the overhead system which Hetch Hetchy has been performing under an internal arrangement since about 1969, and direct payment of the operating expenses of the general office of the PUC. Something can be done about the first one through legislation in the Charter.

and March 1967.
would have the effect of having the District
of Columbia and the District of Columbia.

Commissioner Flynn asked if this would be part of the Charter Amendment, to which Mr. Lubliner responded affirmatively. He said, however, that he would recheck to make sure this is true. He said the Mayor's general approach is not to be specific in the Charter, but since this is important to him he would be much more specific.

Commissioner Flynn asked if there is any legal problem which might result in litigation.

Mr. Lubliner replied it would not be a legal problem of City government.

Mr. Wentz said the clue to the success in dealing with possible legal problems is to administratively keep all of the accounts separate so that it is clear which costs and revenues accrue to Hetch Hetchy as opposed to Water Department, and as opposed to any other departments.

Commissioner Flynn said another deep problem is that Hetch Hetchy has some revenues as a result of Water Department operations; and Mr. Wentz added that the Water Department pays for the water it obtains from Hetch Hetchy.

Commissioner Flynn said it is possible that "moving those funds around" will be of considerable interest to suburban water users and could create legal problems.

Mr. Wentz stated this money would still be in public utilities.

Commissioner Flynn said he was speaking of the subsidy which comes from Hetch Hetchy for the benefit of Muni.

Mr. Wentz said that would be possible only with respect to the overhead power system. It won't be possible for Hetch Hetchy to underwrite any of the cost of the General Office with the new Transportation Commission. That will become a charge against the general fund or the ad valorem tax.

Commissioner Pilcher asked if there will be two separate general offices-- one for Transportation and one for PUC under the Mayor's plan. Mr. Lubliner replied, "Yes".

Commissioner Pilcher asked if the Parking Authority would be abandoned.

Mr. Lubliner stated the new Transportation Commission would be in charge of parking responsibilities. What becomes of Parking Authority under State law would have by necessity to be accomplished by ordinance.

Commissioner Pilcher stated the proposed Charter Amendment is not clear on this subject. It is specific in terms of carving out things which are not under it, but is not specific in terms of what is under it.

Commissioner Sanger stated he believes the Parking Authority was created by ordinance, and therefore is not in the Charter.

Mr. Lubliner said it would be the intention that the Transportation Commission would be in charge of parking--and by City ordinance to create a separate parking authority.

Commissioner Pilcher said it is not clear who is going to appoint the Parking Authority Director.

Commissioner of the General Land Office, Washington, D.C.
Dear Sir:

I have the honor to acknowledge the receipt of your letter of the 10th inst.

and in reply to inform you that the same has been forwarded to the proper authorities.

It is to be regretted that the same cannot be acted upon at this time, but it is hoped that the same will be given prompt consideration.

Very respectfully,
Commissioner of the General Land Office.

Very truly yours,
C. S. Johnston, Commissioner.

Very truly yours,
C. S. Johnston, Commissioner.

Very truly yours,
C. S. Johnston, Commissioner.

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Very truly yours,
C. S. Johnston, Commissioner.

Mr. Lubliner suggested that anything Commissioners are worried about be called to staff's attention, and they will take it up with the City Attorney's office.

Commissioner Sanger said it would be useful if the Mayor's office lay out philosophically what should be covered under the Charter and what should be covered by ordinance. He said there are too many things in the Charter already. He noted that he did not know that the Parking Authority is not in the Charter at all until he "went looking for it".

Commissioner Pilcher commented that Commission is being asked to vote and take a stand on a proposal which is not yet really complete.

President Henning asked when Mr. Lubliner would have a clean copy available, and Mr. Lubliner replied it would be available on May 15, 1978.

Following a short discussion regarding a date, Commissioner Henning, directed that this matter be calendared for May 23, 1978, for public comment and some policy decisions by the Commission.

President Henning requested that Mr. Lubliner address himself to the philosophical basis of how this best serves the public.

Commissioner Sanger requested that what is going in the Charter and what is not and why, be included so that Commission can understand the language of the Charter as it relates to the proposal. He also asked for clarification of existing uses of parking revenue and how they are segregated, if at all, from the general fund, and how that is proposed to be changed, if at all, by either Charter Amendment or by ordinance, and what the practical effect would be of having parking under the Transportation Commission.

Commissioner Pilcher asked if there are big gaps where only certain sections of the Charter are being changed.

Mr. Lubliner replied that the whole Charter is not presented and there are huge gaps.

Commissioner Flynn asked what effect this proposal would have on the tax rate.

Mr. Lubliner said no major effect is perceived on the tax rate except for a potential one of savings in personnel.

Commissioner Flynn said he would like to know what effect it would have in decreasing the tax rate. Ultimately it will be put in the Charter. The Controller has to recite the effect of it. What is going to be reduced in Public Utilities Commission and what is it going to cost the other side of the ledger--to ascertain whether or not there would be a decrease or increase.

Mr. Lubliner stated the Controller indicates there will not be an effect on the tax rate.

Commissioner Pilcher asked how this could be when in effect one whole new office and staff is to be created.

Mr. Lubliner replied the new office will be created from existing pieces of office and staff.

Commissioner Flynn asked what salaries will be saved from PUC that will move over to the Transportation Commission.

Mr. Lubliner said there are common functions among existing utilities.

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Commissioner Flynn said he thinks it is hypocritical to ask Commission to vote for a proposal and not know how it is going to be organized. He said someone knows who is going from one department to another, and the existing salaries are known.

Commissioner Sanger said Commissioner Flynn is asking for an organization study which determines whether there are net increases in personnel requirements or net reductions.

Commissioner Pilcher said the public will want to know what is going to be accomplished--why is this a better idea than having all the departments under the PUC, for example, and why is this plan better than the other plans proposed by three of the Supervisors.

Commissioner Sanger suggested trying to figure out where there are duplicating personnel, and why this proposal can reduce or increase personnel. If it is necessary to increase personnel, then it is not more economical.

Melbourne Trams

Mr. Wentz referred to a package of material from Mr. Maurice Klebolt, and Commissioner Pilcher said the material gives no specific information in terms of cost. There is no indication that Quantas Airlines is going to foot the bill for two test cars.

Commissioner Flynn said there seems to be some language which is prohibitive in that Mr. Klebolt suggests to the Board of Supervisors the negotiating of obligations which will bind the city. He said Mr. Klebolt has no authority to do that. Commissioner Flynn stated he does not intend to have the authority of the Commission abridged by delegating to CAPTrans or any other organization the negotiating of dollars for the city.

Joint Meeting of Streets and Transportation, Fire, Safety and Police Committees

Mr. Wentz reported that this meeting is regarding the Fisherman's Wharf area traffic plan related to the cable car extension, and is scheduled for 4:00 p.m. this date.

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Commissioner Pilcher asked Mr. Wentz if the department heads should be giving the reports on their departments, and be ready to answer questions on their departmental reports.

Mr. Wentz replied they are available for that, and he has just highlighted items of interest. He said questions could be directed to department heads.

Commissioner Pilcher said Commission also discussed at one time rotating departments, as frequently there are many people present to hear Muni items. She said she did not know if that would be workable, as usually Hetch Hetchy and Water Department items are heard quickly.

Mr. Wentz replied that it is comfortable to have an established order, if it can be tolerated.

Commissioner Pilcher said she is alarmed that the number of information calls lost in Muni's Transit Information Bureau has doubled in the last year. She said the number of calls processed has actually gone down. The number of information calls processed in one month of 1977 was over 70,000, and in a month this year the number of calls processed was just over 68,000. The number of information calls lost in 1977 was 5,800, and the number of information calls lost in 1978 is 11,216.

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Mr. Curtis Green said he would obtain the answer.

Commissioner Sanger asked that Mr. Green furnish him the method by which staff computes the number of revenue passenger each month.

Mr. Green replied that he would do so, but said the formula is rather involved because of fast pass usage.

Commissioner Sanger asked if the formula has been applied consistently for so long that even if the figures are wrong they relate to the past figures relatively well.

Mr. Green replied that staff has had the application for at least five years, and it has been consistently applied.

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Commissioner Pilcher said a very good letter was received from Mr. Normal Rolfe of the Cable Car Advisory Committee, in effect responding to a letter written by CAPTrans to Supervisor Carol Ruth Silver with regard to the cable car extension. He has gone through the items in CAPTrans letter one by one and pointed out inaccuracies.

President Henning directed that copies of Mr. Rolfe's letter be delivered to the Board of Supervisors and to Mr. Klebolt.

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Commissioner Sanger questioned Mr. Oral L. Moore, Hetch Hetchy General Manager, on the draft of water used for generating power.

Mr. Moore explained that in years when a surplus of Hetch Hetchy water is indicated, Hetch Hetchy is drawn down in order to generate maximum power. By the end of the snow melt water will be spilling and by-passing the power houses. By mid-January this year power generation was also boosted at Dion Holm Power House.

Commissioner Sanger asked if there is a market for the electricity when the maximum amount is generated.

Mr. Moore replied that Hetch Hetchy has industrial customers assigned by PG&E who utilize above-normal power generation. He said the municipal load and the two irrigation districts use the normal power generation and water.

Commissioner Sanger asked if additional revenues would be earned, to which Mr. Moore replied affirmatively.

Commissioner Sanger said this should be reported to Mr. Harvey Rose, and Mr. Moore stated that Mr. Rose is aware of increased revenues, but chooses to ignore it.

Responding to a question from President Henning, Mr. Moore stated present predictions are for about \$23 million in gross power revenue this year. Net revenue anticipated will provide \$6 million in unappropriated funds as a reserve to pay back Airport tenants if the law suit is lost and \$2 million for capital.

Commissioner Sanger said that is a point that should be made public.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

President Henning directed that it be entered into the record that Commission did conduct an executive session on May 5, 1978,

between 2:15 p.m. and 4:30 p.m., at which time the Commission discussed the performance of various personnel of the PUC. No action was taken, but minutes have been prepared.

Resolution No. 78-0196--PUBLIC HEARING to consider Municipal Railway grant applications for National Mass Transportation Act Funding for operating purposes.

Mr. Curtis E. Green, General Manager, Municipal Railway, stated that the National Mass Transportation Assistance Act of 1974 amended the Urban Mass Transportation Act of 1964 by adding Section 5, operating assistance, providing Federal aid to transit operating budgets.

To obtain Section V assistance, UMTA requires that public hearings be scheduled on applications for transit aid funds. This public hearing has been noticed appropriately.

He said the grant application is essentially a description of the Municipal Railway, and includes various certifications which have to be made to UMTA in order to receive funds. Evidence of coordinated planning efforts must be provided, not only in San Francisco, but throughout the region. UMTA allocates Section V funds to urban regions on a population density basis. The Metropolitan Transportation Commission is the designated recipient of funds to the San Francisco Bay Area.

MTC will be holding coordination meetings with all Bay Area transit properties for claimants of funds under this Act. Muni expects to receive \$7,500,000 for fiscal year 1978-79.

Should Proposition 13 be approved by the State electorate on June 6, 1978, Muni ad valorem support would be substantially reduced. As a consequence, the Municipal Railway would then be ineligible to receive any Section V assistance. Over a five-year span the loss of this Federal support to Muni could total \$50 million.

President Henning asked if there were any questions from Commissioners. There were none. He asked if there were any comments from the public. There were no comments or questions from the public.

Commissioner Sanger asked if Mr. George E. Baglin, Utilities General Counsel, would confirm the propriety of moving approval of certain routine items in concert. He said this might be a way to speed up more routine items, and leave time for matters that the public wishes to discuss.

Mr. Baglin indicated that it would be appropriate to proceed in this manner.

Commissioner Sanger, subject to any objection by the Commission or a member of the public, moved approval of items 8, 9 and 10 pertaining to the Hetch Hetchy system. Commissioner Flynn seconded the motion, which was unanimously adopted by the Commission.

ITEM NO. 13--Authorizing and approving assignment of a 3-year grazing lease covering 480 acres of Water Department property located in Santa Clara County, by and between City's lessee, Lawrence P. Soares, Jr., Assignor, and John Covo and Peter Bellino, Assignees; Covo and Bellino to provide \$1,000,000 insurance, and Lawrence P. Soares, Jr., to continue to keep in effect the required performance bond and other obligations under the lease which assignees do not perform.

Mr. Kenneth R. Boyd, General Manager, Water Department, explained that the Water Department has atleast 3 "land-locked" parcels in Santa Clara and Alameda Counties that is, surrounded by other owners. The Water Department has been unable to establish a right to enter these properties across the properties of others.

This lease has been in front of the Commission in the past because the "land-locked" condition allowed the next owner to bid \$1.50 per acre, after which the Commission allowed the Water Department to try to renegotiate. The Department found Mr. Soares, who was leasing adjacent land, thereby affording access across presently leased land. Mr. Soares' lease which allowed him to traverse to the Water Department "land-locked" parcel has ended.

Covo and Bellino, who have it "land-locked", have said they would not allow the Water Department to cross their land. Mr. Soares has been successful in having the lease assigned to them at \$2 per acre and he will pay the difference. Otherwise, he would be paying \$2.50 per acre, "land-locked" or not.

Mr. Boyd said the City Attorney's office has had difficulty in handling many of our more minor matters, and he was not able to tell the Commission whether or not the Water Department does have legal access. The Department is going on past advice, and offering only that it can continue to obtain \$2.50 per acre. Mr. Soares can be held for \$2.50, or the Department can allow Covo and Bellino to absorb some of the cost.

Responding to a question from Commissioner Pilcher, Mr. Boyd said that many years ago when the Spring Valley Water Company purchased about 40,000 acres in Santa Clara and Alameda Counties most of the land was in one huge parcel. Far to the east in the back land there are now three (3) one square mile parcels.

Commissioner Pilcher asked if the Water Department owns property which is being leased which is causing the Department to be "land-locked".

Mr. Boyd replied the Department is "land-locked" because other people own property all around the perimeter, and the Water Department does not have permission to cross their land.

President Henning stated that he recalls that Mr. Baglin told Commission a year ago that the Department had an easement reserved.

Mr. Baglin stated he had no recollection of that. He said there is a principle of an easement by necessity, but he would have to look into the facts in this case. He said this particular matter has never been brought to his attention.

Responding to a question from Commissioner Sanger, Mr. Boyd said the Department does not know from the City Attorney whether it is "land-locked" or not.

Commissioner Sanger asked if staff had demanded the right of access from Covo and Bellino, to which Mr. Boyd replied that it had been refused.

Commissioner Pilcher said the matter should be cleared up quickly.

President Henning noted that right of access would determine the value of the land.

Commissioner Sanger commented that the Water Department owns substantial amounts of property nearby. He asked if this property is also used for grazing purposes. Mr. Boyd answered, "Yes". He said this land would average \$7 to \$10 per acre per year, as it is cut up.

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Commissioner Pilcher commented that this lease works out to 2 cents a month per acre. She said she couldn't believe the Department could not get more.

Mr. Boyd explained that on some of the acreage even the cows can't climb the hills. There are steep ravines, and only at the summit of that range can rolling country be found.

Commissioner Sanger inquired about comparable leases, and Mr. Boyd said the Department is receiving amounts comparable to what East Bay Regional Park is getting for comparable land. He said all of these leases for the past 3 or 4 years have gone to public bid, and there have been bidders from Texas.

Commissioner Sanger asked who pays the taxes. Mr. Boyd said the Water Department pays taxes, which he estimated to be about 2 cents per acre. The Water Department is primarily holding the land because it is needed to maintain water rights.

Commissioner Sanger asked about the value of the land, and Mr. Boyd explained that the Department has liaison with East Bay Regional Park and with East Bay Municipal Water District who own similar land. He said the Water Department fully advertises in open market bidding.

Commissioner Sanger asked how many head of cattle can be put on the land.

Mr. Boyd explained that different leases containing varying types of terrain will support different numbers of cattle. The area involved in this discussion has much rugged terrain ("steep hog-backs and brushy gullies"). An in-depth study is needed to determine the extent of grazing the area could tolerate before suffering damage from erosion, and the number of animals it would sustain.

Commissioner Pilcher commented that farmers must know how many head of cattle they plan to graze on a certain parcel.

Mr. Boyd stated a report will be submitted to the Commission at the meeting of May 23, 1978.

President Henning directed that this item be put over for two weeks, and asked that the question of access be resolved with the City Attorney.

Commissioner Sanger said he had never heard of grazing land that leased for less than \$50 per acre.

Commissioner Flynn stated that Commission has a right to permit or deny an assignment, and the question is whether or not a name should be substituted.

ITEM NO. 21--Approving Contract Change Agreement No. 21 in the debit amount of \$56,078 to provide for the required changes in the wheel truing pit, under Contract No. MR-609- Muni Metro Rail Center, and requesting the San Francisco Municipal Railway Improvement Corporation to approve and execute Contract Change Agreement No. 21.

Mr. Wentz requested that this item be put over to the meeting of May 23, 1978.

Resolution No. 78-0204--Commending Operator Alvertis I. Davison for his service in promoting good-will throughout Australia.

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Mr. Rod Bartholomew, Acting General Manager, Operations and Administration, introduced "Mr. Personality, otherwise known as Al Davison." Mr. Davison was invited by Quantas Airlines several weeks ago to tour Australia to promote tourism. Mr. Bartholomew said Al did a great job in promoting San Francisco to the people of Australia.

President Henning commended Mr. Davison for spreading good-will.

Mr. Davison said he had a "great time", and thanked the Municipal Railway, Cable Car General Superintendent, Oscar Norman and Mr. Green, who, he said, has been like a father or grandfather. He said he "never saw a country so much like America in the 1950's-- a great country".

Mr. Davison introduced two gentlemen he met in Australia-- Mr. Martin E. Johnstone, Managing Director of Cross and Mercer, Singapore (mining and import-export business); and Mr. Phillip Scott, who is in the import-export business in Sydney, Australia. Mr. Wentz explained that Mr. Johnstone and Mr. Scott perhaps came to San Francisco for other reasons, but are also here to join in the celebration today.

Mr. Davison said a motorized cable car is being built in Sydney, and in 8 months he will be going back to do part of a television show.

President Henning directed the Secretary to prepare a proclamation.

Mr. Lawrence B. Martin, President, TWU Local-250A, said he did not wish any credit taken away from Mr. Davison, but pointed out that items 16 and 17 were calendared because the union insisted that the Commission and the public know what these men are doing.

Resolution No. 78-0205--Commending Operator Franklin Smith for his concern for the safety of his passengers through heroic, unselfish actions.

Mr. Rod Bartholomew explained that standard operating procedure for an operator at the first sign of trouble on a bus is to immediately radio Central Control or telephone for police assistance. He said in this day and age it takes a rare individual to become involved to any greater extent.

On the evening of April 6, 1978, Operator Franklin Smith was driving a No. 10 bus when he realized one of his female passengers was being attacked by a "crazy". He immediately asked for police assistance, stopped the bus, and went to her aid. He was able to prevent the passenger from being injured, but he was severely beaten about the face with resultant scars. With the assistance of another passenger, he was able to hold the perpetrator until the police arrived, and an arrest was made. Mr. Bartholomew explained that Muni investigating inspectors were quick to recommend Commission recognition for Mr. Smith; and he added that he would have to "take off his hat personally to Mr. Smith and thank him for a job well done."

President Henning said it was an act of real heroism, and that the Commission joins in Mr. Bartholomew's comments, as does the whole City. He said the Commission could not thank Mr. Smith enough. He directed the Secretary to prepare a proclamation for Commission signature.

Responding to a question from Commissioner Flynn, Mr. Bartholomew said Mr. Smith is with Woods Division and his superintendent is Mr. John Virgil, whom he introduced.

Mr. Lawrence Martin also thanked Mr. Smith on behalf of the TWU for his outstanding work. He said the public does not know of the number of assaults on a day to day basis, and that a meeting is being scheduled with the Chief of Police and the Mayor's Office because the assault rate has increased.

President Henning suggested that staff get together with Mel Wax of the Mayor's Office in order that the matter can be dignified by the Mayor's action. He thanked everyone involved for attending and for their actions in these matters.

Resolution No. 78-0206--Recommending to the Purchase of Supplies that award of Contract Proposal No. 725--Furnishing Fare Collection Equipment for Muni Metro, be made to Duncan Industries, Mass Transit Division of Qonaar Corporation, in the total base bid amount of \$1,560,669.

Mr. Green stated that of the two bids offered, Duncan Industries is the lowest and most responsive bidder.

Commissioner Sanger stated that it is disturbing to him that the two bids are so far apart.

Mr. Green said that both companies received the same kind of information. Cubic Western Data has been a successful bidder around the country, and has a strong promotion program.

President Henning commented that the bids are about \$1 million apart.

Mr. Gerald Cauthen, stated that Muni's estimate was \$1,960,000. He said Duncan Industries wants to become more active in this area of magnetized equipment. He said it is a system which uses magnetized cards--not as sophisticated as Bart's, but more than just taking coins. Duncan is an old line supplier of fare collection equipment, and has aligned itself with Computer Sciences Corporation of New York. Duncan Industries realizes its bid is under the estimate, but says Muni is getting a whole-sale price. Only two firms were able to bid, and Keene was not able to bid. Mr. Cauthen said Cubic Western Data is very active as a promotional company, but its reputation is not without some flaws as far as maintenance capabilities later on. Cubic's bid in the opinion of the consultant and Mr. Cauthen, is several hundred thousand dollars high.

Commissioner Sanger asked about the commitment to service for maintenance.

Mr. Cauthen stated Muni has an option to exercise a one or a two-year contract with the supplier, or Muni can elect to perform its own maintenance. Duncan is committed to guarantee replacement of parts for two years. They are not committed to day to day maintenance.

Commissioner Sanger asked what kind of risks Muni is running.

Mr. Cauthen said if the cost of maintaining the system is too much to handle, Duncan is committed to the option.

Commissioner Sanger said he is concerned about the commitment of the supplier to insure that the equipment works. He said one of the great incentives to making a piece of equipment that works is if the manufacturer is responsible for servicing it.

Mr. Cauthen stated that Duncan's bid states that for \$184,000 they will maintain the entire system for one year after Muni accepts the system. For maintaining the system for two years their bid is \$328,000. Cubic's bid for maintenance for one year was \$997,000.

Commissioner Sanger noted that during the construction period there is an acceptance test procedure, and Muni has an option of using a consultant at the factory, and can terminate for lack of performance.

President Henning asked Mr. Cauthen if this is responsive bid in his professional judgment.

Mr. Cauthen replied affirmatively, and said he thought Duncan is genuinely anxious to give Muni a job which would reflect well on themselves. He said they are trying to expand their role in the industry.

Mr. Wentz added that Duncan Industries is an old line well established company, and started out in the parking meter business.

Commissioner Sanger said he was satisfied.

Resolution No. 78-0207--Recommending to the Purchase of Supplies that award of Contract Proposal No. 841- Contract No. MR-629R--Furnish and Install UHF Base/Mobile Radio System, be made to Motorola, Inc., in the total amount of \$1,777,082.

Mr. Lawrence Martin stated that the TWU has been pleading for radios on coaches for a long time. Operators are unable to call for aid in assault cases because all coaches do not have radios. He urged the Commission to do everything in its power to obtain these radios as speedily as possible in order to cut down on incidents by speeding up communications. He said the union has met with the District Attorney's office, the Chief of Police, and the Mayor's Office concerning this problem because the assault rate is increasing. He said Muni security is an improvement for the riding public, but when operators try to help passengers on buses there are very few times when they can get anyone on the bus to help. In most of the recent cases there was no radio on the bus, and the operator got attacked while making a call to get help.

Commissioner Pilcher asked if there had been a law suit because a driver had to leave the bus to telephone because a woman was being attacked.

Mr. Martin stated that the driver was attacked in the telephone booth, and got beaten so badly that he doesn't care to drive any more, and has transferred to another job.

President Henning asked what Muni is getting for \$1,777,000.

Mr. Green stated that this contract would provide radios for 345 new Flyer trolley buses, for 100 American general coaches, and for 25 buses that are being purchased for the elderly and handicapped program. That is a total of 470 coaches, but Muni will receive 490 radios because five percent are spares. He noted that the 100 LRVs will come equipped with radios. He said this will be an ultra high frequency (UHF) system, and commented that 400 diesels now have the low band which does not have the efficiency and range of the high band system.

Three radio base stations are included in the contract to allow for more effectiveness of the UHF system. Mr. Green stated that the 400 radios on diesel buses were funded by UMTA. UMTA would not entertain an application for new buses until 1980 when these buses will be twelve years old.

President Henning said his calculations indicate that the new radios will cost about \$3,000 each.

Mr. Green stated that the cost of base stations is included, as well as installation, maintenance, etc. He said he thought the radios were about \$1,000 a piece. He noted that the voice communications will be working within a year, and in July, 1979, the silent alarm system will be in effect.

President Henning inquired if at some point in the future there will be a master map to determine location.

Mr. Green replied affirmatively, and said the capacity to do this will be included in the package.

Commissioner Flynn requested a report on the number of assaults on drivers during the first 4 months of 1977 as compared to the first 4 months of 1978, and asked that this report be submitted at the Commission meeting of May 23, 1978.

President Henning asked that the report be tied in with the vehicles, as there is a disproportionate number of vehicles on the street now as opposed to the first 4 months of 1977.

Mr. Martin asked if it will be still another year before the new radios are on board.

Mr. Green replied that it will be another year before the system is fully operational.

THEREUPON THE MEETING ADJOURNED: 4:12 p.m.

ROMAINE A. SMITH
SECRETARY

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
George R. Moscone, Mayor

Room 282, City Hall

2:45 P.M.

May 23, 1978

JUN 28 1978
DOCU. & DIST.
S.F. P.U.

COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Welton Flynn
Peter McCrea
John M. Sanger

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:45 p.m.

Present: Vice President Claire C. Pilcher, Commissioners
H. Welton Flynn, Peter McCrea, John M. Sanger

Absent: President John F. Henning, Jr.

Vice President Claire C. Pilcher presiding in the absence of
President John F. Henning, Jr.

The minutes of the regular meeting of May 9, 1978, were approved.

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO.

On motion of Sanger, seconded by Flynn, the
following resolution was adopted:

78-0216 HH Awarding BLHP Contract No. 195- Scheduled Relamping
of City-owned Street Lighting System to ABM
Lighting Service, Inc. of Hayward, California, in
the amount of \$69,634.64.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn the
following resolution was adopted:

78-0217 HH Awarding HH Contract No. 595, in amount of
\$32,197.35, to Nielsens, Inc. of Turlock,
California, for Moccasin Sewage Plant-Replace
Sanitary Sewer Line.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the
following resolution was adopted:

78-0218 HH Approving modification in the debit amount of
\$10,000 to provide funds for additional work
under HH Contract No. 524-K Line Streetcar
Overhead System, Conversion for Pantograph
System. (Power Improvement Program/Transit
Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the
following resolution was adopted:

78-0219 HH Accepting as satisfactorily completed work under
HH Contract No. 522, Civic Center, Church and
Downtown Substations, Installation of Electrical
Equipment; approving credit modification of
\$9,525.60; and authorizing final payment of
\$71,233.36 to De Narde Construction Co., Contrac-
tor. (Power Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0220 HH Accepting as satisfactorily completed work under HH Contract No. 567, Hayes Street, Stanyan to Van Ness, Underground Duct System; approving credit modification of \$27,199.32; and authorizing final payment of \$36,273.84 to Underground Construction Co., Inc., Contractor. (Power Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0221 HH Accepting as satisfactorily completed work under HH Contract No. 568, Moccasin Vehicle Refueling Station; and authorizing final payment of \$2,752.25 to Eagan and Paradiso Construction Co., Contractor.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0222 WD Authorizing and approving assignment of a 3-year grazing lease covering 480 acres of Water Department property located in Santa Clara County, by and between City's lessee, Lawrence P. Soares, Jr., Assignor, and John Covo and Peter Bellino, Assignees; Covo and Bellino to provide \$1,000,000 insurance, and Lawrence P. Soares, Jr., to continue to keep in effect the required performance bond and other obligations under the lease which assignees do not perform. (Deferred from meeting of May 9, 1978)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0223 WD Authorizing City Attorney to institute legal proceedings to obtain a declaratory judgment to allow access to certain land-locked parcels, and requesting the City Attorney to inform Commission if such action is not advisable.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0224 WD Awarding WD Contract No. 1729- Repaving of Street and Sidewalk Openings for the San Francisco Water Department for Fiscal Year Ending June 30, 1979- to Pacific Pavements Co., Ltd., San Francisco, California in the amount of \$791,400.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0225 WD Awarding WD Contract No. 1723- Renovation of Summit Pump Station to Dalzell Corporation, Emeryville, California, in the amount of \$38,900; and requesting the Controller to approve transfer of funds in the amount of \$17,900.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

THE UNIVERSITY OF CHICAGO

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0226 WD

Approving supplemental appropriation, in the amount of \$3,275, to provide funds for differential pay for employees in Class 7334- Stationary Engineer and related classes, in order to comply with Section IVB of the 1978-79 Salary Standardization Ordinance.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0227 WD

Approving supplemental appropriation, in the amount of \$1,092, to provide funds for Comprehensive Employment Training Act (CETA) overage.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0228 WD

Authorizing the City Attorney to stipulate to a judgment of condemnation to be entered in that certain eminent domain action entitled, "The People of the State of California, acting by and through the Department of Transportation, Plaintiff v. CCSF, a municipal corporation, et al., defendants", Superior Court of the State of California for the County of San Mateo No. 203416.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0229 M

Supporting concepts of Mayor's proposed Charter Amendment for reorganizing the PUC and establishing a Transportation Commission, and requesting the Legislative and Personnel Committee of the Board of Supervisors to grant Commission one month to evaluate the proposal in depth.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0230 M

Commending Municipal Railway Operator Eugene Craft for his demonstrated concern in aiding a passenger.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0231 M

Selecting firm to provide services required for investigating and evaluating the Municipal Railway's cash handling procedures, and authorizing the General Manager of Public Utilities to execute an agreement with said firm.

Vote: Ayes-Pilcher, McCrea, Sanger

"no"- Flynn

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0232 M

Approving Contract Change Agreement No. 21A in the debit amount of \$55,892 to provide for the required changes in the wheel truing pit, under Contract No. MR-609- Muni Metro Rail Center, and requesting the San Francisco Municipal Railway Improvement Corporation to approve and execute Contract Change Agreement No. 21A. (Transit Improvement Program)-Deferred from meeting of May 9, 1978.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0233 M

Accepting as satisfactorily completed work under Contract No. MR-655- 46th Avenue, Ulloa Street to Taraval Street, Construction of Vibration Isolators; and authorizing final payment of \$4,956.05 to O.C. Jones and Sons, Contractor. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0234 M

Approving supplemental appropriation, in the amount of \$1,030,011, to provide funds for operational needs for the balance of the fiscal year, and requesting that this be processed as an emergency due to the need for continued operation of the Municipal Railway.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0235

Approving supplemental appropriation, in the amount of \$8,508, to provide funds for supervisory differential adjustments, in compliance with Salary Standardization Ordinance Section IV H.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0236 M

Authorizing the General Manager of the San Francisco Municipal Railway to sign Amendment No. 1 to Agreement with CalTrans for modifying a bus for installation of a wheelchair lift.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0237 M

Authorizing the Municipal Railway to extend Line 10 weekdays, daytime only, from California and 12th Avenue via California, 14th Avenue, to terminal at U.S. Public Health Hospital-return via Hospital loop, 15th Avenue, California, 12th Avenue and regular route; and authorizing abandonment of Line 88 Hospital Shuttle; and requesting the Board of Supervisors, in accordance with Charter Section 3.595 (c), to not disapprove the line abandonment.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

- 78-0238 M Authorizing the Municipal Railway to implement a proposed plan by which schedules would be accessible to the public on all Municipal Railway vehicles.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

- 78-0239 M Approving travel expense voucher of Deputy City Attorney Leonard L. Snaider in the amount of \$1,027.17 for expenses to travel to New York from February 4 through February 10, 1978, to take deposition in the case of City and County of San Francisco v. Goodyear Tire and Rubber Company.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

- 78-0240 M Approving payment of claims, in the amount of \$62,011.44, from Municipal Railway revolving fund, month of April, 1978.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

- 78-0241 M Approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, in the amount of \$4,719.40.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

- 78-0215 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway in the total amount of \$36,560.28.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

- 78-0242 GO Endorsing action by the Planning Commission on behalf of the Transportation Policy Group to authorize the filing of grant applications to fund three (3) transportation planning programs, and directing that copies of the resolution be forwarded to the Board of Supervisors.

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

- 78-0243 M Approving modification No. 5 in the debit amount of \$42,876 to provide for changes to the Light Rail Vehicle, under Contract No. MR-586R; and requesting the San Francisco Municipal Railway Improvement Corporation to approve and execute contract modification No. 5 (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

REPORT OF THE GENERAL MANAGER Mr. John B. Wentz

Mr. Wentz stated that Department Managers would offer individual comments.

Water Department- Mr. Kenneth R. Boyd

Mr. Boyd stated he is retiring as of June 3, 1978, and expressed his appreciation to the Commission and to past Commissions whose members have been understanding and cooperative. He said he didn't think the Water Department would be as good as it is without the type of guidance received from the Commission and the General Manager of Public Utilities.

Water Consumption

Mr. Boyd stated water consumption during the past week was 32 percent down from the 1976 level. On June 30, 1978, the Department will use a new form which will indicate anticipated water sales for the coming fiscal year.

Land Management Report

Mr. Boyd said a report requested by the Commission regarding land leasing and rental policy has been forwarded.

Commissioner Claire C. Pilcher suggested that Mr. Eugene Kelleher be appointed Acting General Manager of the Water Department upon Mr. Boyd's retirement. Mr. Wentz stated it will be necessary to process a supplemental appropriation.

Mr. Wentz stated that the land management report is a document of some significance, and staff will process a supplemental appropriation to implement the reports' recommendations.

Mr. Boyd advised that if Commission agrees with the general approach, steps will be taken to obtain a consultant. However, no final steps would be taken without the concurrence of the Commission.

Commissioner John M. Sanger suggested that the matter be calendared for discussion at the meeting of June 13, 1978.

Hetch Hetchy System- Mr. Oral L. Moore

Mr. Moore stated that Mr. Boyd has served San Francisco in a talented fashion with exceptional dedication, and the City is fortunate to have had him as an employee. He pointed out with customary pride that Mr. Boyd actually began his city employment with Hetch Hetchy in 1938.

Mr. Wentz said he has found Mr. Boyd to be competent, diligent, honorable and a sincere friend in the year that he has known him.

Municipal Railway- Mr. Curtis E. Green
Arthur Hudson- Muni Operator

Mr. Green reported that Mr. Arthur Hudson, who was shot while on duty May 12, 1978, is still in San Francisco General Hospital. He has no feeling in his left leg, indicating paralysis. The doctors hope that therapy will be successful, but there is a possibility he could be paralyzed in both legs.

Commissioner Sanger requested that the Secretary, PUC, send a letter on behalf of the Commission to Mr. Hudson expressing best wishes for his recovery.

Article in Chronicle

Mr. Green stated he has a response to the article in the Chronicle in which Muni was maligned. This response will be sent to the editor with copies to the Commission.

Giants and Dodgers Baseball Games

Mr. Green reported there will be games this coming weekend on Friday night, Saturday afternoon and Sunday afternoon. He said staff is hard at work to see what can be done to make necessary service available.

Responding to questions from Commissioner Sanger, Mr. Green stated that the night game begins at 8:00 p.m., and there will be no reduction in service during evening peak hours. Overtime is not involved. Afternoon games are usually over by 3:30 p.m., but if the game lasts longer there are problems.

Landscaping at Muni Metro Facility

Mr. Green reported that for a long period there were weeds as tall as a building on San Jose and Ocean Avenues. The facility is now beautifully landscaped, and Rino Bei and his T.I.P. staff are to be complimented.

Status of Streetcar Fleet and Diesel Coaches

Commissioner Pilcher commented that a month ago she requested the length of time necessary for major service to each vehicle.

Mr. Green replied that this report is forthcoming.

Mr. Green reported that recently there have been some problems with diesel coaches being held for repairs and runs missed. He gave a letter to Commissioners regarding this problem.

Mr. Green also gave Commissioners a report on the status of the streetcar fleet.

Mr. Green commented on Mr. Boyd's retirement, stating that he has always been helpful and wishing him the best.

Title II Funds

Mr. Wentz referred to a letter from Mr. Rudy Nothenberg of the Mayor's Office which indicates that San Francisco is losing some Title II money. Commission will be advised of cuts to be made after analysis by staff.

Audit Response

Mr. Wentz advised that the Finance Committee of the Board of Supervisors has scheduled May 31, 1978, as the date for hearing this matter. It will be a single subject meeting. He said the response to the audit will be distributed to the Supervisors, the Budget Analyst and pertinent staff members.

Commissioner Pilcher said the Commission would like to indicate "up front" in the transmittal letter the items on which they agree with the audit and on which action has been commenced. Mr. Wentz said he would highlight those.

Commissioner McCrea said the Commission should draft a statement to be delivered by a member of the Commission stating on which items it supports staff's position and on which items it takes a position different than that of staff. Where it seems valid Commission should indicate staff has been instructed to implement certain items. Where the report is in error, this should be pointed out to the Finance Committee. He suggested that one or more of the Commissioners be designated to draft a response.

Commissioner Pilcher designated Commissioners McCrea and Sanger as a subcommittee to draft a response from the Commission.

Commissioner Sanger referred to matters in the audit concerning litigation on water rates and electric power rates. He said the Finance Committee, the Commission and staff should not engage in public debate on these subjects. He asked if it would be appropriate to request the Finance Committee when dealing with these matters to make an exception, and go into executive session.

Mr. George E. Baglin, Utilities General Counsel, answered affirmatively.

Commissioner Sanger stated that the letter from Mr. Wallace Wortman Director of Property, explains how the rental rate for the Olympic Club property was established. The Director of Property determined that the property was worth \$20,000 an acre at that time, and a rental rate of \$730 per month was established-- three percent a year on the total acreage involved.

Mr. Kenneth R. Boyd, General Manager, Water Department advised that the Water Department has not spoken to the Olympic Club lease matter in its latest draft of its reply to the audit report. He said the lease is under the supervision of the Water Department, but was prepared by the Real Estate Department. He said at the time the lease was executed there was emphasis on maintaining a "green belt" in San Francisco. This was demanded by City Planning and agreed to by everyone else involved. Mr. Boyd said Mr. Harvey Rose, Budget Analyst, recommended that the PUC go to the Planning Commission to have the property rezoned. However, Mr. Boyd said, the Board of Supervisors adopted his recommendation that the Board take it on themselves or put it on the ballot as a policy decision.

Commissioner McCrea asked why the Department is receiving only three percent a year rental when the appraised value based on open space is \$20,000.

Mr. Boyd replied the practice now is to obtain the highest return possible, but at the time the use was restricted.

Commissioner Sanger said an 8 percent rate has been established as acceptable, and it should be pointed out that 8 percent would produce a differential rental when this lease comes up for renegotiation next year. He said he firmly believed that the land should remain in open space.

Mr. Boyd said the Water Department would specifically present the policy of the Commission.

S.J. Amoroso Construction Company

Mr. Wentz stated that attorneys for Amoroso Construction Co., as well as for Mr. Robert Surface, were expected to be in attendance at today's meeting. He referred to a communication from Mr. Baglin indicating that the proposal requesting that the construction company be allowed to post a bond would not change the City's position.

Mr. Wentz explained that final payment on the contract would be executed as soon as settlement is made to Mr. Surface. Attorneys for the construction company want to substitute a performance bond for the amount of final payment.

Commissioner McCrea pointed out that the Commission had a very specific reason for taking the action it did.

Commissioner Flynn stated attorneys for construction company should be answered in the same fashion by letter.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner McCrea asked if there is anything in the Charter which would prevent the Commission from adopting a consent calendar.

Mr. Baglin replied in the negative.

Commissioner McCrea instructed staff to use that form, listing bid calls, awards, final payments, etc. first.

Commissioner Sanger asked if there is any necessity that Commission adopt a formal resolution on each item.

Mr. Baglin replied that action by the Commission has to be by a resolution--something has to be voted on. He said many items could be put together.

Mr. Wentz commented it is easier to have individual resolutions, and that to blend many items into one resolution may become cumbersome.

UTDC

Commissioner McCrea commented that UTDC has been on the payroll for six months. He asked if it would be appropriate to have a calendar report from UTDC to summarize conclusions that have been reached in their work to date.

Mr. Wentz replied this will be arranged, possibly at the meeting of June 13, 1978.

Forest Hill Station

Commissioner McCrea stated that Commission has received a letter from the Heritage Foundation. He said litigation is still pending with respect to saving Forest Hill Station as an historic site. He said he would like to have calendared for the meeting of June 13, 1978, a discussion of the scope of work for the design of the station, and the status of litigation with respect to preserving it as an historical landmark.

Jarvis-Gann Initiative

Commissioner Pilcher asked if it is the Commission's wish to schedule a special meeting to speak out on PUC policy if this initiative passes.

Commissioner Sanger commented on various alternatives presented by staff of Municipal Railway. He said the Commission has a responsibility to come up with a plan of exactly how to proceed. He suggested holding a public meeting to decide priorities and which approach to take.

Mr. Curtis E. Green, General Manager, Municipal Railway, said he understands the Mayor plans to hold several press conferences.

Commissioner McCrea commented that for every level of funding, Muni staff has developed various levels of service. The Commission can try to raise fares, maintain service at some level, maintain peak hour service, etc. Many policy decisions need to be made.

Mr. Wentz stated that the Mayor's Office has requested staff to modify some of the assumptions, such as availability of State money, feasibility of obtaining a fare increase. Staff has been asked to prepare a new scenario.

Commissioner Sanger said that at some point the Mayor's Office and the Board of Supervisors will decide what level of ad valorem tax is available for running Muni. Commission has an obligation to develop a plan as to how to best spend the money. He said a public hearing should be held.

Commissioner McCrea suggested a special meeting with the Mayor's Office present.

Mr. Wentz said the special meeting would be advertised, and there would be a news release.

Commissioner Pilcher set the date for this special meeting for Tuesday, May 30, 1978, at 2:30 p.m.

Resolution No. 78-0230--Commending Municipal Railway Operator Eugene Craft for his demonstrated concern in aiding a passenger.

This resolution was taken out of order.

Mr. Green introduced Operator Eugene Craft, Superintendent Joseph N. Crossley, and Mr. Lawrence B. Martin, President, TWU Local 250-A. Mr. Green reading from the resolution, said Mr. Craft was driving a No. 8 coach carrying about 40 passengers when he discovered Mrs. Rita Settergren was giving birth to a baby. Mr. Craft calmed Mrs. Settergren, radioed for an ambulance and discharged his passengers. In a matter of minutes Mr. Craft delivered a beautiful baby girl. In a matter of hours Muni's first blessed event was the talk of San Francisco.

Mr. Lawrence B. Martin stated that the union is proud of Mr. Craft, who is now called "Dr. Craft". Mr. Craft has improved Muni relations in the area where he works.

Joseph N. Crossley, Superintendent, Potrero Division, suggested a plaque be placed on the bus stating that a baby was delivered on May 11, 1978, by "Dr. Eugene Craft".

Mr. Craft said he appreciated the congratulations and publicity.

Mr. Martin commented that he has previously been before the Commission requesting first aid kits for operators.

ITEM NO. 7--PUBLIC HEARING--To consider the adoption of rate schedules to be charged by the PUC for furnishing Hetch Hetchy electric power to private consumers and municipal departments of the City and County of San Francisco.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power explained that since Hetch Hetchy began increasing rates to keep up with PG&E increases in 1975, there has been an understanding with the City Planning Department that environmental impact reports are not required. However, the Bay Area Water Users Association, Dr. Selina Bendix of the Planning Department, and the City Attorney have recommended that before a public hearing is held Hetch Hetchy should obtain an EIR from the Planning Department.

Commissioner Sanger asked if an EIR is required on an action lowering rates.

Mr. Wentz replied that there is an increase to the extent that the proposal recommends PG&E rates be charged the Water Department.

The Water Department has been paying reduced rates.

Mr. David J. Miller, attorney for the Bay Area Water Users Asso., said he is concerned about the merits of the proposal. Mr. Miller expressed his appreciation to Mr. Bcyd for his efforts to meet with suburban customers to advise and obtain input. He said it has been a pleasure to work with him.

Item No. 7 was continued pending receipt of an environmental impact report.

Resolution Nos. 78-0216, 78-0217, 78-0218, 78-0219, 78-0220, 78-0221, 78-0224, 78-0225, 78-0226, 78-0227, 78-0228, 78-0232, 78-0233, 78-0234, 78-0235, 78-0239, 78-0240, 78-0241 and 78-0215 were unanimously adopted on motion of Commissioner Sanger, seconded by Commissioner Flynn.

Resolution No. 78-0242--Endorsing action by the Planning Commission on behalf of the Transportation Policy Group to authorize the filing of grant applications to fund three transportation planning programs, and directing that copies of the resolution be forwarded to the Board of Supervisors.

This resolution was taken out of order.

Mr. Wentz explained that this action will improve transportation within San Francisco. It has been approved by the Planning Commission, and the Transportation Policy Group feels it is appropriate to obtain PUC approval.

Commissioner Sanger asked if the Planning Commission is making an application for the funds and seeking PUC endorsement.

Mr. Rai Okamoto, Director of City Planning, explained it was decided the Planning Department would handle the administrative aspects of the program.

Commissioner McCrea commented that until now the Commission has avoided any involvement in the transit preferential street program. He said he asked Mr. Wentz, who is a member of the TPG, to get the Commission involved in order to put the collective weight of the Planning Commission and the PUC behind steps being taken to implement the transit preferential street program.

Commissioner Sanger said the application should be made on behalf of all three departments of TPG.

Mr. Okamoto said there may be some procedures requiring a single departmental entity, but material will be included indicating the participation of the PUC. He said UMTA and the MTC are aware that the Commission is involved.

Resolution No. 78-0222--Authorizing and approving assignment of a three-year grazing lease covering 480 acres of Water Department property located in Santa Clara County, by and between City's lessee, Lawrence P. Soares, Jr., Assignor, and John Covo and Peter Bellino, Assignees; Covo and Bellino to provide \$1,000,000 insurance and Lawrence P. Soares, Jr., to continue to keep in affect the required performance bond and other obligations under the lease which assignees do not perform. (Deferred from meeting of May 9, 1978)

Commissioner Pilcher explained this matter was deferred because of concern regarding the small rental.

Commissioner Sanger inquired about the value of the land and access rights.

Mr. Boyd said there is no access. The land is valued at \$2 to \$2.50 per acre and should bring a rental of \$10 to \$14 an acre. This depends upon how many acres are grass and the generally prevailing price of beef.

Commissioner Sanger said this is a difference of \$5,000 per year.

He asked if the Water Department can sue on the matter of access rights.

Mr. Baglin replied affirmatively.

Commissioner Sanger said he was willing to go along with the assignment. He said the City Attorney should begin a complaint for declaratory judgment on the question of whether the department does or does not have access rights.

Mr. Boyd stated the Water Department has three such parcels.

Commissioner Sanger moved, Commissioner McCrea seconded, and the Commission unanimously adopted Resolution No. 78-0223 authorizing the City Attorney to institute legal proceedings to obtain a declaratory judgment to allow access to certain land-locked parcels, and requesting the City Attorney to inform Commission and state the cause if such action is not advisable.

Resolution No. 78-0231--Selecting firm to provide services required for investigating and evaluating the Municipal Railway's cash handling procedures, and authorizing the General Manager of Public Utilities to execute an agreement with said firm.

Mr. Green stated that staff was directed by the Commission on April 11, 1978, to send out RFPs to certified public accounting firms to investigate and evaluate the cash handling procedures of the Municipal Railway. RFPs were sent to 19 firms on April 13, 1978. Eight firms responded. A base fee and a fast pass option were requested. A committee was set up to interview the firms.

Commissioner Pilcher asked if the lack of the fast pass option was one of the reasons the lower bids were not considered.

Mr. Green replied his consideration as a member of the committee was the ability of the firm to do the work, but he did want to see the fast pass option.

Commissioner Flynn said he had some reservations about the procedure with reference to whether the amount recommended should be paid. He said he didn't like to see the circulatory letter that went to everyone indicating that a certain firm had been selected prior to the time of the Commission meeting.

Mr. Wentz stated that the letter indicated who the Committee had recommended.

Commissioner Flynn said no recitation was made that the recommendation was subject to Commission approval.

Mr. Wentz replied that the RFP includes a statement that the recommendation must go to the Commission.

Commissioner Flynn added, that the letter sent gives reason to believe that Commission is a rubber stamp for staff. He said it was called to his attention by at least two (2) firms, neither of which were selected. Also, the committee should not continue the practice of selecting only firms which have done similar work in the past. One firm is no better than another to perform this type of work.

[illegible]

Commissioner Flynn said he practices accounting for a living, and it is not necessary to spend \$6,000 with Deloitte Haskins and Sells because they have done this type of work in the past. He asked if any firm responded who can not do the job.

Dr. J.M. Christensen, Jr., said any one of the firms interviewed could do the job. The recommendation of the committee was premised on which appeared probable to do the best job.

Commissioner Flynn stated that one firm is listed which was subsequently added to the list, and it is a black firm. He said he did not think this firm should be listed solely because it is black.

This is the firm of L. Andrew Jeanpierre. He said this firm was added to the short list and did not qualify originally. Commissioner Flynn offered the name of Main Lafrentz & Company, whose base fee is \$3,500. This is a national CPA firm and has done work all through City government.

Commissioner McCrea asked Dr. Christensen why he recommended Deloitte Haskins and Sells in preference to Main Lafrentz and Co.

Dr. Christensen replied it was primarily because of the individual who was going to be assigned to the job. He has done similar work and gave a fine presentation. Dr. Christensen said his second choice was Main Lafrentz & Co. He said the individual who made the presentation for Main Lafrentz was also impressive.

Commissioner Pilcher said she also feels the fast pass option is important. She said she has learned from Junior High School students about practices involving fast passes.

Commissioner McCrea said if there is some reason to believe Haskins and Sells would do a better job, he would make the recommendation.

Commissioner Sanger said it was quite obvious Haskins & Sells gave the most thorough and detailed presentation. He said the only other well written proposal was Alexander Grant & Co., and the rules can not be changed unless one begins all over again.

Dr. Christensen said the recommendation was made in a democratic process with each member of the Committee voting, and that the written proposal of Main Lafrentz was very thin. He said he believed the selection of Haskins and Sells to be a sound one.

Commissioner Flynn said there were 2 or 3 persons on the Committee couldn't read the proposal--Mr. Green and Mr. George Newkirk know nothing about accounting.

Commissioner Pilcher stated that from a layman's point of view she reads proposals, and she would have made the same choice. She said she is concerned about cable car collections, and she found in the Haskins and Sells proposal those things she is concerned about as a citizen.

Commissioner Sanger questioned whether Main Lafrentz & Co. would be willing to perform exactly the same work as Haskins and Sells for a price of \$2800 less.

Commissioner McCrea moved to accept staff recommendation of Deloitte Haskins & Sells. Commissioner Sanger seconded the motion, Commissioner Pilcher vote "aye" and Commissioner Flynn voted "no".

Resolution No. 78-0229--Supporting concepts of Mayor's proposed Charter Amendment for reorganizing the PUC, and establishing a Transportation Commission, and requesting the Legislative and Personnel Committee of the Board of Supervisors to grant Commission one month to evaluate the proposal in depth.

Mr. Rudolf Nothenberg of the Mayor's Office made a brief presentation of the proposed Charter Amendment. He said the Mayor's Office would like the Commission to deliberate on this matter and take a position at its leisure. It is inevitable that a change will be made regarding the transportation organization of the City. The Mayor's Office is desirous of finding a way to facilitate that change, make it rational, and preserve the concept of a transportation system, and of those functions related to utilities the rate setting function and governance of utility services. He said it is essential to have citizen commission, and management of similar functions in a rational manner. Staff has put together a combination of the transportation related services and placed these under a citizen commission; and has taken from various other positions of the City all of the utilities functions--collecting, transporting and selling water, generating power, delivering power, cleaning and disposing of water, liquid wastes and solid wastes, and placed them under what should become the unified management of the Public Utilities Commission. These functions would be managed by independent divisions. The PUC would govern by establishing a functional hierarchy over services. This will allow for citizen governance and functional management which will avoid duplication of functions, will result eventually in a diminution of the number of employees, will provide for a streamlined management, and will allow for rates for citizens which will reflect all of these management efficiencies and economies which can be provided. It is important that solid waste problems, which are going to increase, be brought under this kind of management.

Concerning transportation, implementation of the transit first policy requires that street related activities now performed by the Department of Public Works, Planning Department and the Police Department, be combined to provide better public transportation in the City. Transportation should be under a citizen controlled commission. There will be no diminution of citizen control, but an expansion. The proposal calls for a reorganization and a more functional arrangement of management. Mr. Nothenberg said he does not know what the bottom line will be in savings, but it seems that inevitably there will be some operational savings, capital outlay savings, and savings in management.

It is not clear whether there will be any savings in the Transportation Department, but it is hoped better transportation will be delivered. Better services at a cheaper price will be achieved by the Public Utilities Department by providing complimentary services under one management. For example, a public engineering function over a period of time will not need as many engineers or staff.

Mr. Nothenberg said he believes this is a way to protect the City governance of these two functions, as there are at least 2 or 3 competing ideas for a manager instead of a commission. Mr. Nothenberg said he believes that functions which depend on people paying for services should be under the control of a citizen commission. He said the proposal is a carefully detailed program on which staff of the Mayor's Office has been working for 2 years, and the time has come to act.

Commissioner Pilcher commented that if two different departments are combined, both having engineers, and this means that the number of engineers can be cut in half, it would seem there is a surplus. She asked if an engineer trained to work on Hetch Hetchy will be able to repair sewer pipe.

Mr. Nothenberg replied that it is unlikely there will be a substantial number of engineers working on the Hetch Hetchy Project.

Commissioner Pilcher said she favored the general plan, but it has been drawn up in a vacuum without benefit of department heads who have been working with these problems for years.

Mr. Nothenberg stated the plan is not perfect, but staff has refrained from giving the impression that combined functions will cut the staff in half. Staff will be better used, and there will be some economies of scale which will reduce some of the functions. In any number of functions, such as water quality control, there are jobs which can be better assigned to a larger body of men and women than is currently being done.

Mr. Nothenberg said the proposed Charter Amendment does not presently determine how the Public Utilities Department will be organized. It simply allows for management to make that judgment.

Commissioner Pilcher asked why the rate board for disposal of solid wastes can't be under the PUC.

Mr. Alan Lubliner of the Mayor's Office replied this is the preliminary opinion of the City Attorney.

Commissioner McCrea stated that a matter of great concern to the Commission is to insure the fiscal integrity of the Municipal Railway and Muni's subsidy by Hetch Hetchy.

Mr. Nothenberg said he understands that association is and can be protected in the proposed Charter Amendment. Mr. Lubliner added, that subsidies to Muni from Hetch Hetchy and some support of the Transportation General Office by parking taxes can be handled in the the proposal.

Commissioner McCrea noted that the proposal is to be submitted May 25, 1978, to the Legislative and Personnel Committee, and does not have to be approved by the full Board of Supervisors until August 8, 1978. Thus, there is sufficient time for the Commission to evaluate the proposal and request staff to evaluate it and suggest changes.

Mr. Nothenberg stated the Mayor's Office would like to preclude an action on the part of the Legislature which would forestall the ability to have this proposal considered.

Commissioner Sanger commented that there are alternatives which some of the Commissioners do not like, but he does not share Mr. Nothenberg's faith that some change is inevitable. He said it seems it is critical to carefully consider the matter. Opportunities for improved consistency in policy and action and function must be stressed, not only in the transportation area but in the utilities area.

He said there should be a stronger attempt to explain potential relationships in the utilities as well as in the transportation area. He said he approves of the approach in the case of public utilities of not specifying in the Charter the internal structure, but he is bothered that the same approach has not been taken in the case of the proposed Transit Department.

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Commissioner McCrea asked if the proposal could be taken under submission for two weeks or a month by the Commission.

Mr. Nothenberg said he hopes for the Commission's understanding and enthusiastic support, and would like a statement that Commission supports the concept but requests an opportunity to study it and to work with the Board of Supervisors between now and August 2, 1978.

Commissioner Pilcher again expressed her concern that she has not heard from PUC staff about the realities and practicalities of the proposal. She said she approves of the concept.

Mr. Wentz reported that he has convened with "key" PUC staff on two occasions, and it has been concluded that the plan is workable. However, staff is not ready to commit on internal organization. He said there is no opposition on the part of staff as long as they are given the opportunity later to work on the internal organization.

Commissioner Sanger said he would argue that the only thing that belongs in the Charter are concepts. All of the decisions that may have to be re-made about internal government should be eliminated. He said the function of a Charter is to indicate grouping of functions, citizen commissions, and certain financial relationships that have become critical to the maintenance of a certain level of service.

Commissioner Sanger noted that street lighting is excluded from the jurisdiction of the PUC.

Mr. Nothenberg commented that the installation and maintenance of standards would go to the Department of Public Works.

Mr. Oral L. Moore, said that since World War II this has been a "fuzzy" area. The Department of Public Works administers funds for construction of new street lighting systems from street lighting bond funds and gas tax funds. The maintenance of street lighting by contract has been the responsibility of the Bureau of Light, Heat and Power under the PUC. The Transit Power Division of Hetch Hetchy is installing new trolley poles--coordinating with DPW for the installation of street lights. Mr. Moore said there are problems with funding in the maintenance of the street lighting systems.

Commissioner Sanger said he objects to the sexual division of the proposed Transportation Commission into a 3-2 majority, and Commissioner Pilcher seconded him.

Mr. Nothenberg said it was felt this would be a way to assure that the commissions would not be dominated by the male chauvinism of the past.

Commissioner Pilcher said she would rather have someone representing her who is knowledgeable and dedicated rather than a particular sex.

Mr. Nothenberg said this issue can be easily amended.

Mr. Lawrence B. Martin, said his organization would like to see a Transportation Commission of five good transit people, regardless of their sex. He questioned how the Transit Department would be funded.

Commissioner McCrea said he felt the matter of funding should be dealt with on a separate basis.

Commissioner Sanger asked if the Transportation Commission would have control of both on and off street parking.

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Mr. Nothenberg replied, "Just those revenues under the Parking Authority". Mr. Lubliner added, that the Transportation Commission would have control of these funds. Mr. Nothenberg said the Commission would absorb all of the powers of the Parking Authority. The Board of Supervisors would still approve rates.

Commissioner Sanger said he would like the Transportation Commission to have revenues from parking available for the use of public transit.

Mr. Nothenberg said this is now approved by ordinance , but would not include on-street parking, which is general rather than specific.

Commissioner McCrea moved, Commissioner Flynn, seconded, and the Commission unanimously adopted a resolution that the Commission go on record as being in favor of the concepts of the Mayor's proposed Charter Amendment, particularly the continuance of citizen commissions to govern both transportation and public utilities; and requesting that the Legislative and Personnel Committee of the Board of Supervisors grant the Commission one month to evaluate the proposal in depth.

ITEM NO. 25--Requesting the Mayor and the Board of Supervisors to join with the Public Utilities Commission in support of a Municipal Railway advertising shelter program, and requesting that procedures be initiated for its implementation.

Commissioner Sanger asked if there has been any kind of a public hearing.

Mr. Wentz replied in the negative, stating that the matter goes from the Commission to the Board of Supervisors. He said the concept has come to staff's attention as a result of its being successfully implemented in other cities where bus shelters are supplied by private contractors and carry some tasteful advertising.

Enough revenue is obtained to build and maintain shelters. San Francisco has 500 bus stops that could use shelters. Informal proposals have been received from 9 to 10 firms. If the Board of Supervisors authorizes the code changes, the proposal would have to go to the Art Commission, to the Planning Commission for an EIR, and an RFP would have to be developed.

Mr. Maurice Klebolt, President, CAPTrans, commented that this is the first time he has heard of the proposal, although the Mayor did allude to it at a town meeting a month ago. He said Supervisor Dianne Feinstein has initiated legislation, as has the Port Commission, to ban billboards, and there will be a "roar" when the matter goes to the Board of Supervisors. Also, there was a bit of clamor at the town meeting over the advertising.

Commissioner Sanger who attended the town meeting said the complaint was over the absence of bus shelters.

Commissioner McCrea suggested putting the item over for two meetings. In the meantime, Mr. Green could write a letter to neighborhood groups regarding a public hearing, stating there is available a proposal on transit advertising.

Commissioner Pilcher directed that the matter be put over to the Commission meeting of June 27, 1978, and that Mr. James H. Leonard, Director, Bureau of Public Service, notify groups who might have an interest.

ITEM NO. 29--Opposing a policy of a reduced charge for the Municipal Railway's monthly Fast Pass sold after the first week of the month, and the sale of a weekly, weekday, or reduced charge monthly Fast Pass or Senior Pass.

Commissioner McCrea asked the reason for opposition.

Mr. Green explained that it is a matter of income, inconvenience and cost. Passes are given to more than 130 outlets on the 20th of each month, and the outlets have until the 10th of the following month to sell them. They receive ten cents commission on each pass sold. A plan to sell the pass for the first week for the full price, then for a lesser price, and finally at a still lesser price would result in a loss of revenue for Muni. There is also the matter of controlling such a situation. An outlet could sell a pass on Friday, and tell Muni on Monday that it was sold at a lesser price, pocketing the difference.

Commissioner McCrea said it is an idea with merit. He suggested that Muni staff come back to the Commission with a positive recommendation.

Commissioner Flynn spoke in opposition to the proposal, stating it would be an "accounting nightmare". He said when fast pass was first instituted there was pilferage and people were arrested. It took a year or two before the fast pass was "somewhat perfect". He said the accounting department at Muni should estimate the cost for printing these passes.

Mr. Klebolt said he is a vendor of fast passes, and he would find it cumbersome to deal with a 2-3-4 part system, and would not participate if it were any more complicated. He said he does it as a service in an attempt to bring people "in the door". He said there is a Sunday pass for 75 cents, which perhaps could be a daily pass.

Mr. Green stated that a survey indicated that many different types of passes create confusion at the operators' level, and retards transit.

Mr. Martin stated that the operators "can not stand another piece of paper coming through that front door", and that there are people riding free on fast pass now.

Commissioner McCrea said his objection is based on a Supervisor's suggestion being opposed with no reason and no staff work.

Commissioner Pilcher directed that the item be continued.

Resolution No. 78-0237--Authorizing the Municipal Railway to extend Line 10 weekdays, daytime only, from California & 12th Ave. via California, 14th Ave., to terminal at U.S. Public Health Hospital, return via Hospital loop, 15th Ave., California, 12th Ave., and regular route; and authorizing abandonment of Line 88 Hospital Shuttle; and requesting the Board of Supervisors, in accordance with Charter Section 3.595 (c), to not disapprove the line abandonment.

Commissioner Sanger said he thinks this is an excellent proposal.

Mr. Klebolt advised that CAPTrans supports the plan.

Mrs. Zelphray Chambers of District Health Center No. 5 spoke in favor of the proposal.

Resolution No. 78-0238--Authorizing the Municipal Railway to implement a proposed plan by which schedules would be accessible to the public on all Municipal Railway vehicles.

Mr. Martin stated some of the operators asked him to bring their complaints to the Commission. The buses don't run on schedule, and can not run on schedule.

Commissioner Pilcher commented that preferential streets may be designated.

Commissioner Sanger noted that it is a great convenience to have a schedule even though the schedule may not be maintained at peak hours.

Mr. Green said there are long headways at night and on weekends. He said the box for schedules would be similar to the box for transfers. Operators would be requested to put schedules in the box, which would be where the operator sits.

Mr. Klebolt said CAPTrans is interested in the proposal. He said the location of the box is to be behind the driver on the wall. This seat on the diesel buses is reserved for senior citizens and the handicapped. He suggested that it be by the fare box.

Commissioner Pilcher asked if this would not slow up loading and unloading.

Mr. Robert Rockwell, Public Relations Director, Municipal Railway, said a considerable amount of time was given to the location, and the one selected is the best possible compromise. It can be seen by everyone on the bus, and is above the heads of passengers.

Mr. Martin said the operators disagree with the location, and that it could cause accidents.

Mr. Kohl of Muni said he has been working on this project since March 14, 1978, and has physically been to every type of vehicle. He said this is the best solution.

Commissioner Sanger suggested that Mr. Kohl discuss the matter with the Transport Workers Union.

ITEM NO. 36--Consideration of the composition of the Light Rail Vehicle (LRV) Advisory Board of Control and alternates.

Commissioner McCrea said he is concerned that the Board of Supervisors doesn't seem to care to participate in meetings, when the intent of the Advisory Board of Control was to involve the Board of Supervisors.

Commissioner Pilcher commented that there are two Commissioners on the Advisory Board of Control, and the alternates are Commissioners. The Mayor has been attending meetings and has a member of his staff on the Board. The Board of Supervisors has not attended nor sent a member of its staff. She said Supervisor Ella Hill Hutch plans to attend the meeting on May 26, 1978, and perhaps the matter could be discussed at that time.

Mr. Klebolt said the intent of his appearance is as an alternate for Supervisor John Molinari. He said the Board of Supervisors unanimously confirmed his appointment, and he hopes to be the vehicle that will push Supervisor Molinari to the meetings. The Supervisor's complaint is that the meetings are not called with sufficient time to allow him to adjust his calendar. If staff would call meetings when Supervisors Molinari and Hutch can attend that would be a meaningful step.

He said his presence would not be to set policy, but to report back to Supervisor Molinari.

Commissioner McCrea noted that the Board of Control was created because the subject is too complicated to deal with in the normal communication with the Board of Supervisors. The intent was to involve the Board of Supervisors in an understanding of the problem.

Mr. Klebolt said he took exception to Commissioner McCrea's remarks.

Commissioner Flynn commented that there was no interest on the part of the Board of Supervisors in going to Boston to see the LRVs, and that a Supervisor is an elected official.

Mr. Klebolt said he did not think it necessary that a member of the Board of Supervisors participate. He said there is a trust between a Supervisor and a person like himself.

Mr. Fred Perry of CAPTrans said he could not understand Commissioners Sanger and McCrea insisting that a Supervisor does not have the authority to designate alternates. He said it began as a personal attack on Mr. Klebolt as being incapable of transmitting information to the Board of Supervisors.

Commissioner Sanger replied that Mr. Klebolt is capable of transmitting information, but the problem is that no one new is being educated.

Commissioner Pilcher directed that the item be continued to the meeting of June 13, 1978.

THEREUPON THE MEETING ADJOURNED: 6:13 p.m.

ROMAINE A. SMITH
SECRETARY

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
George R. Moscone, Mayor

Room 282, City Hall

2:35 P.M.

May 30, 1978

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COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Welton Flynn
Peter McCrea
John M. Sanger

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
PUC Computer Center

John B. Wentz
GENERAL MANAGER OF PUBLIC UTILITIES
Romaine A. Smith
SECRETARY

Call To Order: 2:35 P.M.

Present: Vice President Claire C. Pilcher, Peter McCrea,
John N. Sanger

Absent: President John F. Henning, Jr., H. Welton Flynn

Commissioner Claire C. Pilcher presided in the absence of President John F. Henning, Jr.

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz

Mr. Wentz reported that the Finance Committee would not be hearing the Audit Report on May 31, 1978. Instead, it will be heard on June 7, 1978.

Municipal Railway (Jarvis-Gann Initiative Passage)

Consideration of policies and priorities regarding the operation of the Municipal Railway in the event Proposition 13 (Jarvis-Gann Initiative) is approved by the electorate on June 6, 1978.

Commissioner Pilcher stated that this hearing was called to discuss four recommended plans by the Municipal Railway for reducing the level of operations in the event that State Proposition 13 (Jarvis-Gann Initiative) passes.

Mr. Rod Bartholomew, Acting Deputy General Manager, Operations, introduced Mr. Brooke Kantor of the Municipal Railway staff, who opened discussion by stating that 16 alternative levels of service were developed by Muni and presented to the PUC on April 25, 1978. These alternatives were based upon four (4) levels of ad valorem support-- \$0, \$10, \$15 and \$20 million and four levels of fare revenue--from no fare increase to 50¢ base fare with 25¢ peak hour surcharge and 25¢ discount fare.

He stated that at the \$10 million level, with no fare increase, Muni would have to reduce service drastically. Such a reduction in service would mean loss of passengers. Mr. Kantor explained that any plan formulated should incorporate certain specific assumptions which would result in savings or produce additional revenue without affecting the level of revenue service. He listed the following assumptions; Inauguration of Muni Metro service would be postponed (saving approximately \$2.8 million); The Mayor would declare a state of emergency which would result in the suspension of Section 8.450 of the Charter which specifies that platform operators employed by the Muni shall be paid at the rate of time and one-half for work performed in excess of eight (8) hours in any one day, or after a spread of ten hours, in any one day. We would propose to change this to eight (8) hours in 12; Salary increases proposed for 1978-79 would not go into affect and Muni would save about \$700,000; Such adjunct services as telephone information and shelter cleaning would be eliminated; The Trust Fund would be eliminated (saving approximately \$2 million); and all CETA positions would be eliminated because of a Federal requirement that CETA employees be dismissed whenever City-funded employees in similar classifications are laid off.

He stated that first priority would be to eliminate any duplication with BART. The Mission-Corridor lines competing with BART lines include the 14-Mission Express, 14-Mission Limited, 14-Guerrero Limited, 26-Valencia Express, and the 17-Parkmerced Express. The 11-Hoffman and 26-Valencia lines would be restructured as feeders to BART and the J-Church line. Savings would be approximately \$3.3 million.

Commissioner Sanger asked if he knew how many passengers are carried on these lines.

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Mr. Kantor replied, '5.2 million annually.

Mr. Kantor stated that next would be elimination of the least revenue producing lines which are the 33-Ashbury, 27-Noe, 91-Stonestown, 92-Balboa Park Shuttle, 88-Hospital Shuttle, 89-Laguna Honda, 84 and 85-Downtown Shopper Shuttles, etc. Savings would be about \$9 million affecting 4 million passengers.

Off-peak service on duplicating lines would be deleted next. These lines include the 45-Greenwich, 19-Polk, 21-Hayes, 31-Balboa, 2-Clement and 8-Market, and would gain us a savings of about \$7.2 million.

Elimination of Owl-service will produce a savings of \$2.4 million. Weekday-Night-service would remain after the cuts have been made.

Referring to the maps on the bulletin board, he pointed out that the maps were prepared to reflect the level of service which would remain if certain selected alternative plans were to be implemented.

Mr. Kantor explained that the green lines on the maps meant that service would be reduced; yellow, that service would be eliminated, and red, that service would be unchanged.

Commissioner Sanger asked which areas of the City would be totally without service.

Mr. Kantor replied, that the Twin Peaks area would be hit the hardest.

Mr. Kantor went on to say that there was no certainty of any outside source of revenue. There is a pending bill in the State Legislature, AB 3404, which would exempt cost of living fare increases from the Environmental Impact Report (EIR) process. In all cases, it is assumed that approximately \$1 million would be available from Revenue Sharing, \$8 million would be available from Transportation Development Act (TDA), and \$7 million under AB 1107.

Mr. Kantor stated that under TDA, we would have to provide local support i.e., property tax. To qualify for AB 1107 funds, a transit system has to meet at least 33% of operating expenses from farebox revenues. Mr. Kantor continued that if these funds become available, we would have \$45 million in revenue and in the case of \$10 million ad valorem support, we could restore Saturday and most of the Owl-service and Night-service. He stated in the case of 35¢ base fare, 45¢ peak, 10¢ discount, we would have to cut Mission-Corridor lines competing with BART, least revenue producing lines and 50% Off-peak service.

The Mayor's Office recently indicated that \$5.2 million would probably be available from Revenue Sharing, thus raising our projections from this source from \$1 million to \$5.2 million. A maximum of \$6 million TDA funds can be used for operations.

Commissioner McCrea asked if both \$6 million TDA and \$7 million AB 1107 funds would require changes in legislation.

Mr. Kantor replied, "yes".

Commissioner McCrea asked what would happen if Jarvis-Gann passes, there is no fare increase, and we lose TDA and AB 1107 funds.

Mr. Kantor replied, that we would have to start cutting into the peak-service and this would be cut of approximately 30%.

Commissioner Sanger asked if we drop the 30% peak-service, where does it level off.

Mr. Kantor replied, that it would level off to approximately \$7 million. He stated that in any case it is more economical to eliminate the base service especially on streetcars.

Commissioner Sanger asked what would happen if we do not receive the \$10 million ad valorem support; Would Muni be able to say how much service would be cut ?

Mr. Kantor replied that, based upon a 50¢ base fare and a 25¢ peak surcharge, a commuter would be averaging about \$1.50 a day.

Commissioner Sanger asked how much revenue is attributable to the peak surcharge.

Mr. Kantor answered about 40%.

Commissioner Pilcher then asked for comments from the general public. She stated that the chances of receiving more than \$10 million ad valorem were slim, therefore, she asked Mr. Kantor not to describe the other alternatives.

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Mr. Fred Perry, directing a question to Mr. George E. Baglin, Utilities General Counsel, asked if the PUC functions as a regulatory body as well as an operating body; Does it regulate as well as operate?

Mr. Baglin replied, "yes".

Mr. Perry stated that if PUC is a regulatory body it should be able to carry out its functions to the amount of its funds.

Commissioner Sanger asked what would be the total passenger loss under Alternative 3 (No fare increase).

Mr. Kantor replied, that the loss would be approximately one-third.

Commissioner McCrea directing a question to Mr. Baglin, asked, assuming that the Mayor declares an emergency does the PUC have the authority to abandon or modify services?

Mr. Baglin replied, that the Mayor has the right to suspend the Charter and the Board of Supervisors would have to agree to it. He added, that authority to abandon service would depend upon the wording in the emergency declaration.

Mr. John Holt, representing SPUR (San Francisco Planning and Urban Research Association), asked how the 50¢ base fare with a 25¢ peak surcharge would affect ridership.

Mr. Kantor stated Muni would lose approximately 25% of its base ridership and 35% of its peak riders.

Mr. Holt asked if Muni could anticipate a reduction in service levels.

Mr. Kantor replied in the affirmative.

Commissioner Sanger stated that he would suggest keeping the base fare the way it is and increase peak fare and try to retain more service. He stated that if we lose AB 1107 funds, because we are cutting services, we are losing more than we are gaining.

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Mr. Norman Rolfe of San Francisco Tomorrow suggested that the Commission consider the following items; charging a surcharge for riding during the peak-hours, stretching the headways, combining parallel lines, raising discount fares, raising base fares, elimination of less used lines--maybe using them as feeders to trunk lines and requesting the Board of Supervisors and the Mayor to raise parking tax and any other taxes they have the power to raise.

Mr. Robert Caldwell, stated he thought this was a toss-up to eliminate discount fares. He stated that if cuts are made on weekends and Owl-service, these services might be hard to restore.

Commissioner McCrea pointed out that any consideration of cutting informational services should be stricken from these alternatives because such services would be needed more than ever. Overall, he would like to see peak-hour service cut instead of Owl-service.

Commissioner McCrea suggested that staff attention should be directed to examining the service improvements recommended by the POM Study, with reference to obtaining maximum service with the lowest number of vehicles.

Commissioner McCrea asked about the possibility of shutting down two (2) operating divisions if it becomes necessary to cut peak-service.

Mr. Kantor replied, that closing of divisions had been anticipated on weekends and nights.

Commissioner McCrea stated that Owl-service is essential for the survival of the City.

Commissioner Sanger stated that it is essential to avoid having no services at any time of the day and essential that every large section of the City be served with some form of transit service. He stated that all of the alternatives have parallel services and we should try to keep off-peak service down. He suggested that Muni look into all the lines being cut and try to see if any lines could be extended.

Mr. Vernon W. Anderson, former, General Manager of the Municipal Railway stated some of the Muni lines which are over-served during the peak-hours could be substituted for some of the lines cut. He stated this would be a tremendous savings and the money could be used towards any services being cut.

Commissioner Pilcher agreed with this statement, and suggested that Mr. Anderson could help out with the Muni program and that if he had any plans or proposals, she would appreciate it if he would submit them to the Municipal Railway and staff for review.

Ms. Paula Henning, of the Muni Coalition, stated that Muni is a vital public service in San Francisco. She hopes Muni would find some way to get more money from the Federal government to retain its normal operation.

Mr. Larry Martin, President, TWU Local-250A, stated that no services should be cut. There should be other means of funding. He suggested that Muni receive on-street and off-street parking revenues, a 2 1/2¢ tax on gasoline, and convention monies to help in its support.

Commissioner Sanger commented that it would take about \$4 million to retain Owl-service and Sunday services. He suggested that fares not be raised and service cut, unless the parking tax is also raised. According to the Board's Budget Analyst in his recent report, the parking tax could be a good source to raise funds.

Commissioner Sanger asked what is the total annual debt service of Water Department and Hetch Hetchy bonds.

Dr. John M. Christensen, Jr., Assistant General Manager, Finance, stated that is is currently approximately \$15 million.

Commissioner Sanger then suggested that these bond payments would qualify for tax support under Jarvis-Gann and the Water Department and Hetch Hetchy funds could be used by the Muni.

Commissioner McCrea stated that there is no way to resolve these problems and directed Mr. Wentz to write a letter to the Mayor requesting that in the event Jarvis-Gann passes, the PUC be given authority to abandon service, without referral to the Board of Supervisors.

Mr. Wentz summarized the views expressed by the Commission: Maintain informational services; maintain Owl-service; cut peak-service if necessary to maintain other priorities; implement POM Study wherever possible; concentrate on the \$10 million ad valorem level and operations under the worst conditions; coordinate with BART; investigate the parking tax (approximately \$5.8 million); obtaining parking meter revenues; and investigate the possibility of funding Water and Hetch Hetchy general obligation bonds from the ad valorem tax. He concluded that he would follow-up on all of these alternatives.

THEREUPON THE MEETING ADJOURNED AT: 4:30 P.M.

Romaine A. Smith
SECRETARY

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
George R. Moscone, Mayor

Room 282, City Hall

2:38 P.M.

June 13, 1978

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COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Welton Flynn
Peter McCrea
John M. Sanger

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:38 P.M.

Present: President John F. Henning, Jr., Vice President
Claire C. Pilcher, Commissioners, H. Welton Flynn,
Peter McCrea, John M. Sanger

The minutes of the regular meeting of May 23, 1978, were approved.
The minutes of the special meeting of May 30, 1978, were approved
as amended.

Discussion preceding adoption of Resolutions is attached.

RESOLUTION
NO

On motion of Sanger, seconded by Pilcher, the
following resolution was adopted:

78-0245 HH Declaring \$6 million surplus to the needs of the
Hetch Hetchy system and available to the City and
County of San Francisco for general purposes.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by McCrea, the
following resolution was adopted:

78-0246 M Opposing SB 1934 as it may affect future availa-
bility of State funds to the Municipal Railway.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the
following resolution was adopted:

78-0247 HH Approving transfer of funds in the amount of
\$21,421 to provide funds for the increased cost
of automobile and miscellaneous insurance, in
compliance with Charter Section 6.305.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the
following resolution was adopted:

78-0248 W Approving transfer of funds in the amount of
\$36,000 to provide funds for the increased cost
of compensation insurance, in compliance with
Charter Section 6.305.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the
following resolution was adopted:

78-0249 W Approving transfer of funds in the amount of
\$49,473 to provide funds for the increased cost
of automobile fire and miscellaneous insurance,
in compliance with Charter Section 6.305.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the
following resolution was adopted:

78-0250 W Approving transfer of funds in the amount of
\$124,000 to provide funds for the purchase of
diesel fuel and alum in compliance with Charter
Section 6.305.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0251 W Approving collection of Water Department claims for damages against miscellaneous debtors, amount \$1,645.23, month of May, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0252 W Approving write-off of Water Department uncollectible accounts receivable more than 90 days past due, month of April, 1978, amount \$6,491.63.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0253 W Authorizing execution of a Professional Services Agreement with the Pitometer Associates, under which Agreement said engineering firm will conduct a water waste survey in designated districts of San Francisco, locate underground leaks and other lost water in areas where excessive waste is indicated, and will determine "C" values for certain selected water mains; total payment for all services not to exceed \$30,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0254 W Authorizing the Commercial Division of the Water Department in conjunction with the PUC Data Processing Center to prepare and circulate a Request for Proposal for a bank collection system throughout the banking community.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0255 M Authorizing bid call for Contract No. MR-663-Twin Peaks Tunnel, Repairs to Ventilating Intake Station- 18th and Hattie Streets. Estimated cost of Work, \$10,000. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0244 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$163,250.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0256 W Retirement of Kenneth R. Boyd, General Manager, S.F. Water Department.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0257 W

Authorizing the General Manager of Public Utilities to solicit and invite development and lease bid proposals for approximately 4.325 acres of land in Millbrae, California; all acceptable development and lease bid proposals to be referred to Commission for review; Commission reserving the right to reject any and all bids.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0258 W

Approving supplemental appropriation, amount \$59,500, to provide funds to engage services of a consultant in the field of agriculture and cattle grazing, and to implement improvement of Water Department's land management program.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0259 M

Approving contract for a Light Rail Vehicle (LRV) Program Director to be entered into between the Contractor, Farrel L. Schell and the San Francisco Municipal Railway Improvement Corporation and requesting UMTA and the SFMRIC to approve and execute the contract as appropriate.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0260 M

Accepting a memorial plaque from Cable Car Friends, dedicated to Municipal Railway employee Mike Wynkoop and directing that it be permanently affixed in an appropriate location on Cable Car No. 60.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

78-0261 M

Approving Amendment No. 4 to the Agreement between the San Francisco Municipal Railway Improvement Corporation and Louis T. Klauder and Associates for professional services in connection with the subway signal system design review, inspection, and acceptance, which increases the amount of the Agreement from \$515,215 to \$695,251; and requesting the SFMRIC to approve and execute Amendment No. 4, subject to approval of UMTA. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, ,McCrea

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

78-0262 M

Expressing concurrence with position taken by staff of the Municipal Railway, and authorizing the General Manager of Public Utilities to report to the Board of Supervisors that the new facility at San Jose and Ocean Avenues shall continue to be identified as the "Muni Metro Rail Center". (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0263 M

Urging the Board of Supervisors to accept the gift of \$13,000 from the Laguna Honda Hospital Volunteers, Inc., for the purchase of a replacement bus for use by the Municipal Railway at Laguna Honda Hospital.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0264 PUCC

Approving selection of the firm of Arthur Andersen and Company to design and implement the accounting module, and authorizing the General Manager of Public Utilities to enter negotiations for provision of said services.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Sanger, the following resolution was adopted:

78-0265 GO

Approving the proposal of the Mayor for a Charter Amendment which would reorganize the Public Utilities Commission and urging the Mayor to appropriately handle the administrative location of the Computer Center by placing it under the jurisdiction of the new Transportation Commission.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0266 GO

Approving personnel policies and procedures for hiring and evaluation of top PUC management personnel recommended in the General Manager's report of May 23, 1978, and directing the General Manager to initiate timely action to see that they are carried out and that the Public Utilities Commission is properly involved where appropriate.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz

Mr. Wentz called upon Mr. Eugene J. Kelleher, Acting General Manager, Water Department, to report on Water Department items.

Water Consumption

Mr. Kelleher gave the Commissioners an updated report, and stated that consumption during the week of June 3 to June 9, 1978, was 20 percent down from the 1976 usage.

Water Quality

Mr. Kelleher reported that in mid-May the Department began using water from Crystal Springs Reservoir. Water quality was satisfactory before this time. However, immediately afterward turbidity and quality deteriorated. Increased bacteria were found in samples. The Crystal Springs system was then placed on Hetch Hetchy water, and no more positive readings for bacteria are being received. Staff has consulted with State Health Department officials, and no health danger is involved. The cause of the problem is believed to have emanated from soil bacteria, perhaps as a result of the 2-year drought. A press release has been sent out to comply with State Department of Health regulations.

Commissioner McCrea inquired about the prognosis for the Crystal Springs bacteria count going down. Mr. Kelleher replied that this water is now believed to meet water quality standards. If water quality is maintained, on July 5, 1978, the Department will proceed with "drawing down" the water level.

Commissioner Sanger asked about Water Department plans to recommend construction of a filtration plant.

Mr. Kelleher replied there will be some plan so that raw water will no longer have to be used. There will either be filtration directly out of Crystal Springs Reservoir, or expansion of the San Andreas Filtration Plant.

Commissioner Sanger asked Mr. Kelleher if he would recommend filtration of all water coming from Crystal Springs based on the few times that water quality standards have not been met.

Mr. Kelleher said water quality standards are increasing each year. In 1968, the Commission had a study made regarding a filtration plant at Crystal Springs Reservoir. The study indicated it would only be used part time, which becomes an operational problem.

Commissioner Sanger asked if standards of the State and Federal governments are reasonable.

Mr. Kelleher replied they are reasonable on the bacteria count, but are too low with respect to turbidity.

Mr. Kelleher said the bacteria are not those found in fecal matter, but could be in the soil on the sides of the reservoir. The problem could be related to some use of the watershed.

Alameda County Water District

Mr. Kelleher stated that Alameda County Water District has had trouble with one of its dams, and inquiries were made about releases of water from the San Francisco Water Department through October, 1978. However, when officials of the ACWD were informed that the cost would be the same as for State water, negotiations were dropped.

Hetch Hetchy Unappropriated Surplus of Funds

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power, stated that the Accounting Department a few days ago discovered that an error had been made when the budget was submitted to the Finance Committee. Staff neglected to include an item of \$7,200,000 which is revenue from the sale of water by Hetch Hetchy to the Water Department. The record snow pack and water run-off during this year has significantly increased the hydro-electric generation of Hetch Hetchy and decreased the power demands of the Turlock and Modesto Irrigation Districts which has permitted an increase in the sale of power by Hetch Hetchy at commercial rates. These two additional revenue items, less some expenditures, leaves Hetch Hetchy with an unappropriated balance of about \$8- 1/2 million as of June 30, 1978. The Charter requires that 25 percent of this amount be kept in Hetch Hetchy reserve funds. This leaves a balance of about \$6 million which can be declared surplus and appropriated to the general fund.

Retirement of Mr. George E. Baglin

Mr. Wentz reported that Mr. George E. Baglin, Utilities General Counsel, has chosen to retire about a month earlier than he normally would have. Mr. McMorris M. Dow has been appointed as Utilities General Counsel.

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President Henning acknowledged the presence of Mayor George R. Moscone.

Mayor Moscone addressed the Commission and excerpts of his remarks are attached and made a part of these minutes.

The Mayor added that what he said assumes that the Board of Supervisors in their wisdom will accept the optimum budget which he sent to them. He said this includes several increases in revenue raising, and makes it unnecessary to lay off employees because of lack of funding. He thanked the Commission for doing its homework in the sense of setting goals to minimize the impact of the inevitable.

The Mayor said there were one or two voices at the meeting of the Board of Supervisors on the evening of June 12, 1978, who felt the Mayor's action was precipitous as the State was going to give San Francisco money. However, the Mayor stated there are problems. The Legislature may move with dispatch, and hopes to come forward with a fair share for San Francisco before July 1, 1978. There is no way to tell how much it will be or what the formula will be. The Mayor stated he has drafted a declaration of emergency, and is building a budget for the next fiscal year on something real and "not on smoke". The price for acceptance of monies from the State, or Federal government is that staff once again make allocations on the basis of priorities to bring the Public Utilities Department and other departments as close to 100 percent funding as possible.

President Henning thanked Mayor Moscone on behalf of the Commission and the public.

REPORT OF THE GENERAL MANAGER- Continued Conservation Task Force

Mr. Wentz stated the meeting of the Conservation Task Force held on May 25, 1978, went well, and that the audits of buildings are proceeding.

Position on SB 1934

Mr. Wentz stated he received a copy of SB 1934 from Ed Gerber, Legislative Advocate in Sacramento. This bill would take bridge

toll revenues to underwrite the cost of building new approaches to the San Mateo Hayward Bridge. He said the Commission might wish to consider opposing this bill when it comes before the Board of Supervisors. It would not presently affect San Francisco's level of funding but could do so in the future according to the Metropolitan Transportation Commission.

Commissioner Flynn moved, Commissioner McCrea seconded, and the Commission unanimously passed Resolution No. 78-0246 opposing SB 1934.

Finance Committee Hearing on PUC Audit

Mr. Wentz reported that the discussion focused on Modesto and Turlock Irrigation District power sales. The report was received and filed. The Finance Committee did request the City Attorney to prepare a Charter amendment to streamline the setting of power rates to match PG&E rates.

Commissioner Sanger asked Mr. Oral L. Moore if Commission can now communicate to the Board of Supervisors the amount of excess cost being incurred on the emergency contract for overhead lines because of the inability to hire in-house people.

Mr. Moore replied he has conveyed the information to the Civil Service Commission, as the Board of Supervisors can only act on the recommendation of the Civil Service Commission.

Commissioner Peter McCrea suggested writing to the Chairman of the Legislative and Personnel Committee in order to expedite the matter, and Commissioner Sanger stated it is necessary that the Board of Supervisors know that both the staff and Commission are aware of the problem.

Mr. Maurice Klebolt, President, CAPTrans, asked if the Commission has lost any powers due to the 6 or 7 sections of the Charter being suspended at the meeting of the Board of Supervisors on June 12, 1978.

President Henning said this matter would be discussed at the Commission Special Meeting scheduled for 7:30 p.m. June 13, 1978.

Resolution No. 78-0254--Authorizing the Commercial Division of the Water Department in conjunction with the PUC Data Processing Center to prepare and circulate a Request for Proposal for a bank collection system throughout the banking community.

Commissioner Claire C. Pilcher asked if billings are being sent out zip coded. Mr. Kelleher replied that the Computer Center is programming this right now, which will save 2 cents per mailing.

Resolution No. 78-0253--Authorizing execution of a Professional Services Agreement with the Pitometer Associates, under which Agreement said engineering firm will conduct a water waste survey in designated districts of San Francisco, locate underground leaks and other lost water in areas where excessive waste is indicated, and will determine "C" values for certain selected water mains; total payment not to exceed \$30,000.

Commissioner Flynn commented that this is a repetitious item. He added, however, that he would like to see professional services contracts not included in the consent calendar, as it would not be a good precedent.

ITEM NO. 9--Approving immediate replacement for Kenneth R. Boyd, Classification 5166, General Manager and Chief Engineer, San Francisco Water Department, retired June 2, 1978.

President Henning stated that in view of the Mayor's Proclamation of Emergency, it is appropriate to defer items of this nature at this time.

Resolution No. 78-0258--Approving supplemental appropriation, amount \$59,500, to provide funds to engage services of a consultant in the field of agriculture and cattle grazing, and to implement improvement of Water Department's land management program.

Commissioner Sanger asked if \$10,000 is for a consultant who is knowledgeable about potential revenues and uses of land.

Mr. Kelleher replied affirmatively, and said this is for grazing and row crops.

Commissioner Sanger said the bulk of the allocation of money is for additional personnel. He asked Mr. Kelleher to summarize what the additional personnel would be doing.

Mr. Kelleher said that temporary salary funds are required to fund the following positions for one year: (1) Senior Clerk Typist, (1) Right-of-way Agent, (1) Land use Aide. The Senior Clerk Typist is needed to reduce the current backlog of typing and clerical work. The Right-a-Way Agent is needed to review and bring into conformity with current established policy all active revenue permits granted prior to January, 1973, particularly as they apply to adjustment and increase in permit fees. This employee will also assist the Engineering Land Division by reviewing, researching, and interpreting documents on title, property interests and rights, and encumbrances of Water Department land records.

One land use aide will field check any illegal and unauthorized use of Department's pipeline right-of-way lands; and will assist in updating, processing and issuance of new replacement permits of all existing domestic garden permits (there are over 370 such permits).

Mr. Kelleher added that this will save money. Maps will eliminate errors, and the Department will have a chance to pick up revenue. Encroachments may be discovered on small pieces of land. However, survey crews will not be sent out to Alameda and Santa Clara Counties. This is impossible to accomplish with a cut in personnel due to the passage of Jarvis-Gann.

Resolution No. 78-0259--Approving contract for a Light Rail Vehicle (LRV) Program Director to be entered into between the Contractor, Farrel L. Schell, and the San Francisco Municipal Railway Improvement Corporation and requesting UMTA and the SFMRIC to approve and execute the contract as appropriate.

Commissioner Sanger asked if the cost would be \$127,000 for one person for two years.

Mr. Wentz replied that it would be for two and one-half years. He said it is a salary approved by the Board of Supervisors which escalates over a period of time, beginning at \$42,000 and going up five percent and then another five percent. In addition, he would be paid a cash amount comparable to fringe benefits if he were a Civil Service employee.

Commissioner Sanger asked if the salary would be \$60,000 per year.

Dr. John M. Christensen, Jr., Assistant General Manager, Finance, replied that it would be slightly less than that. He said it would be \$127,000 over a period of 27 months, and 25% fringe benefits are included.

Mr. Schell would be making less than he is being paid by his present employer, which is \$42,500 as a base salary plus fringes of approximately 38% of that amount. However, he would be receiving more cash.

Commissioner McCrea asked if there is any provision in the contract which would allow termination of the contract if a decision were made which did not require his services as a result of some action taken with respect to the LRV program.

Mr. Wentz replied this could be done. If it were done within the first year and without cause, Mr. Schell would be owed the amount due for the first year's consultation. Thereafter his contract may be terminated with 60 days notice.

Commissioner McCrea asked if the entire LRV program could be terminated.

Mr. Wentz replied, "Technically you are right".

Responding to a question from Mr. Carl Carlson, speaking for Supervisor Harvey Milk, Mr. Wentz stated that 80% of the cost would be funded by UMTA, and no ad valorem money would be involved.

Mr. Wentz commented that Mr. Schell is presently employed by Kaiser Engineers, and is an expert in all types of rail transportation.

ITEM NO. 13--Accepting a memorial plaque from Cable Car Friends, dedicated to Municipal Railway employee Mike Wynkopp, and directing that it be permanently affixed in an appropriate location on Cable Car No. 60.

Mr. Rod Bartholomew, Acting General Manager, Operations and Administration, Municipal Railway, stated that on December 3, 1977, the Municipal Railway lost a dedicated employee, Mr. Mike Wynkoop, Acting Assistant Cable Car Manager. He said Mr. Wynkoop's good works improved the Muni image to the public and to the cable cars themselves.

Cable Car Friends, prompted by its President, Mrs. Frieda Klussmann, has purchased a plaque dedicated to Mr. Wynkoop to be affixed to Cable Car No. 60.

Mrs. Frieda Klussmann, President, Cable Car Friends, stated that no one could adequately express the dedication of Mr. Wynkoop and how much the cable cars improved under his direction. She commented that improvements are attained through the hard work of people such as Mike Wynkoop and Rod Bartholomew.

ITEM NO. 14--Extension of contract for the purchase of Municipal Railway operator uniforms.

President Henning acknowledged that the Commission has received a petition signed by 110 Muni cable car employees requesting uniforms similar to those used by the Southern Pacific trainmen on Peninsula commuter runs.

Mr. Curtis E. Green, General Manager, Municipal Railway, stated that Muni sent forward a request for funds in the amount of \$500,000 to buy uniforms. However, the Mayor and the Board of Supervisors have since cut those funds to a level that only provides for continuing the present uniforms. He said the present contract requires a notice of six months to the present supplier if there is to be a change in uniforms. Since there are no funds in the budget to effectuate a change, it is now necessary to inform the supplier to continue the present contract for the next fiscal year.

Mr. McMorris M. Dow, Utilities General Counsel, advised that a declaration of emergency does not affect contract law.

Commissioner Pilcher stated that every driver she has spoken with has complained about service from the present supplier, stating there are few sizes on hand, and no uniforms to fit women. She asked if it is possible to obtain better service from this supplier.

Mr. Green stated that if the present supplier is assured of at least another year's contract he will provide better service.

Mr. Wentz added that the supplier has to buy many more uniforms than Muni is buying.

Commissioner Pilcher said she would like this supplier to be placed on notice that Muni probably will be changing suppliers.

Mr. Lawrence B. Martin, President, TWU Local 250A, said the union disagrees with Commissioner Pilcher's findings. He said he went to the present uniform company with the women drivers on several different occasions. The supplier made up four different uniforms for them, but the women drivers could never agree on a particular uniform. He said the supplier has served the men drivers very well. He noted that the City does not always pay the supplier in time for him to purchase more uniforms. Mr. Martin said he has no problem with extension of the contract.

Resolution No. 78-0261--Approving Amendment No. 4 to the Agreement between the San Francisco Municipal Railway Improvement Corporation and Louis T. Klauder and Associates for professional services in connection with the subway signal system design review, inspection, and acceptance, which increases the amount of the Agreement from \$515,215 to \$695,251; and requesting the SFMRIC to approve and execute Amendment No. 4, subject to approval of UMTA.

Commissioner McCrea asked, "What is changed about the scope of the work?"

Mr. Rino Bei, Program Manager, Transit Improvement Program, reported there is no change but the work is extended because the installation of the signal system is not completed. Services of the consultant are still needed for acceptance of the signal system. When the LRVs arrive there will be signal equipment on each car, and there is a warranty period which extends the services. The present Klauder contract is being carried forward because of problems with the signal system getting installed. It is necessary to continue to utilize the services of the consultant. Mr. Bei said the fault has been with the acceptability of the contractor's design. The consultant has been finding a number of things deficient with the work of the contractor. This is a situation he said, where the consultant's cost would be the basis of a claim by the City vs. the Contractor. It would be difficult at the present time to stop using the services of Klauder and Associates.

The contractor has filed a claim for a delay in getting their installation in. Muni is prepared to file a counter claim. The signal system must be installed before the LRVs arrive. Resolution of claims will have to be settled later. Staff does not have the expertise for acceptance of the signal system. Mr. Bei stated that Klauder did not design the system, but prepared documentation for performance specification. The contractor is required to design the system.

Commissioner H. Welton Flynn inquired if claims and subsequent data are being documented. Mr. Bei replied affirmatively. He said the contractor has delayed installation and completion of the work, and that if he had executed a good design, Klauder's work would have been finished long ago. The present change is in the amount of about \$180,000.

Commissioner Flynn stated he has some reservations about continuous modification of contracts.

Mr. Bei stated that if the services of the consultant are not continued it will not be possible to test the system and assure that it is operating properly.

Commissioner Flynn asked what Muni expects to obtain in a counter claim.

Mr. Bei replied that staff has not attempted to establish a figure, but has a complete file. He said a substantial file is maintained on every major contract in the event of future litigation.

Mr. John Elberling of CAPTrans said that what it comes down to is that the signal system does not work. Everyone spends money designing a new system and working out "bugs". He asked why the Program Control Group didn't see that "nothing slipped through". He said extra time and money will have to be spent which Muni can't get back because the original design that Muni approved is not a good one.

Mr. Bei stated that nothing "slipped through", and that Mr. Elberling's comments were out of order. The signal system does work, but staff wants to insure there are no "bugs" in it. A major portion of the equipment has already been installed in the subway. Staff wants to insure before running the cars that the system is "fail safe". Circuit diagrams are being reviewed by Klauder & Associates, as there may be errors by the contractor.

Commissioner McCrea requested a summary of outstanding contracts relating to LRVs quantified in terms of the number of exceptions to performance and claims against contractors.

Resolution No. 78-0262--Expressing concurrence with position taken by staff of the Municipal Railway, and authorizing the General Manager of Public Utilities to report to the Board of Supervisors that the new facility at San Jose and Ocean Avenues shall continue to be identified as the "Muni Metro Rail Center".

Mr. Maurice Klebolt, President, CAPTrans, stated that Supervisor Quentin L. Kopp has indicated interest in naming the Muni Metro Center after an honored transit employee.

Commissioner Pilcher commented that it has been the policy of the Commission and staff of Municipal Railway to give names to new facilities which are descriptive of their location and function, with the exception of the Woods facility.

Mr. Klebolt said it is basically his position that it seems strange that a man can begin a career and work through the system with the dedication of a lifetime of service and not have any recognition. He said he thought it would be commendable of the Commission to extend that courtesy to the Board of Supervisors.

ITEM NO. 18--Report on status of UTDC contract, and report on status of implementation of UTDC recommendations.

Mr. Green introduced Mr. Warren Bartram of UTDC.

Mr. Bartram presented a brief review of the program to date, the present status, and future progress. He said the project started with a two week review of staff levels and Muni reorganization.

A report was issued followed by two subsequent reports. Following initial activities all members of the project team met in San Francisco and completed a review of all facilities. Present vehicle conditions were examined, as well as maintenance methods and statistics at Muni. UTDC has released four of a series of reports, as follows: (1) Evaluation of Management methods, (2) Evaluation of Maintenance methods and facilities, (3) Report making recommendations of management changes and policies, and recommendations for reliability and availability of statistics, (4) Report on recommendations and distribution of maintenance functions and distribution of vehicles.

Mr. Bartram stated that Mr. George Duarte, Deputy General Manager, Engineering & Planning, has offered some constructive criticism. Work sessions have been held, and UTDC has decided to issue an addendum with further explanations. It is felt that work sessions have resulted in a good working agreement between staffs of UTDC and Mr. Duarte and an improvement in actual maintenance procedures.

There have been discussions with Muni personnel. One vehicle has now been rebuilt. Brake life will be substantially extended, and current practice can be extended to two week intervals on brake adjustments.

On recommendations for staffing levels special attention is being paid to absence rates and productivity, and organizational structure. Interviews have been conducted to evaluate present levels of communication and delegation of authority, and reporting systems. Some schedule slippage has been experienced in the past 1- 1/2 months.

Future work will include development of procedural manuals for staff organization, records and reporting systems, and recommendations on facilities. Techniques are being prepared for staffing levels and organizational structure, and recommendations for facility changes.

Commissioner Pilcher asked how the objectives could be achieved with the limited statistical data available.

Mr. Bartram replied that recommendations will be made by using statistics available. He said this matter must be monitored.

Commissioner Sanger commented that Muni is not going to be held to the same standards as other transit properties.

Mr. Bartram replied that the absence rates at Muni, as well as the vacancy rates, exceed those of other properties. Positions which become vacant are not filled right away. The number of man hours required is the detail being considered. He said productivity is one difficult area.

Commissioner Sanger asked, "On a scale of 1 to 10 how would you rate management?"

Mr. Bartram stated that agreement has always been reached on which way to go.

Commissioner Sanger asked Mr. Bartram if he sees any major structural changes.

Mr. Bartram stated that a major change is being considered in the area of diesel operation.

Commissioner Sanger again asked about the scale, and stated that one hires an outside consultant to get a different view. He asked how receptivity ranks in terms of desire for change.

Mr. Bartram said there is a desire to improve, but some reluctance to change. Representatives from other properties convinced staff that programs will work. Implementations are now beginning.

Commissioner McCrea commented that the implementation plan would indicate that there had been a fair amount of disagreement about some recommendations. He asked if this had been resolved to the satisfaction of Mr. Bartram.

Mr. Bartram replied affirmatively.

Commissioner McCrea asked when Mr. Bartram anticipated completing the work.

Mr. Bartram replied it would be about October 1, 1978.

Commissioner McCrea commented that Muni is going to be under pressure to begin reducing costs because of Jarvis-Gann. He asked if there is anything the Commission and staff can bring to bear to help in that effort.

Mr. Bartram replied that this is a little premature. He said it will be a year or a year and a half before improvements take effect.

Commissioner McCrea asked if staff of UTDC could help Muni staff prepare next year's budget.

Mr. Bartram replied that staff of UTDC has been working with staff in that area.

Mr. Duarte commented that staff of Muni has gone over each of the recommendations and tried to "iron them out". Regarding numbers and productivity, he said Muni does not have the TIMS project yet. Otherwise, it is a managerial problem. The total project this far has been small insofar as implementation is concerned. However, the Control Center and Muni headquarters was determined to be too far away from Frank Baggetta, Acting Transit Equipment Supervisor, and this was moved to the Geneva Office Building on June 9, 1978.

Mr. Maurice Klebolt referred to report No. 3 which makes reference to Muni surplus rolling stock. He questioned storing trolleys and said there are too many diesel coaches, and there had been a recommendation that these be taken out of the system.

Mr. Bartram stated that in the data there is an item to establish what is to be done with surplus equipment. This will be attended to in September, 1978.

Commissioner Sanger asked if there is agreement.

Mr. Bartram replied affirmatively.

Mr. Klebolt commented that each vehicle considered excess has a dollar figure for maintenance--that ten streetcars haven't been serviced in the past ten months. They were brought in from Toronto and have broken windows, and still have a maintenance problem attached to them.

Commissioner Sanger asked why Mr. Klebolt assumed there is money budgeted for maintenance of these streetcars.

Mr. Klebolt stated that streetcars are lumped together as a line item called "maintenance".

Mr. Curtis E. Green explained that is not the way Muni budgets. He said last year there was an average of 89 streetcars being used every day. Muni took that experience in the previous year and built this year's budget on the man hours used to carry those 89 streetcars.

Commissioner McCrea commented that if there are surplus vehicles Muni should define the level that is surplus and establish a long range plan.

Mr. Green said there is agreement, and the flow necessary to maintain the fleet has been discussed. By September this will be known.

Commissioner McCrea commented that the situation at the Presidio and Potrero facilities is ridiculous in that there are 100 extra buses "sitting around".

ITEM NO. 19--Report on background and status of the Forest Hill Station Project.

Mr. Rino Bei commented that documentation has been forwarded to the Commission summarizing what has gone before, and where the project is at present. The firm of Esherick Homsey Dodge Davis, and Rutherford-Chekene, joint venture, was retained to perform Phase I design of the facility. Due to the historical implications, UMTA established a limit of \$200,000 for engineering during which the contractor is to investigate how historical preservation could be accomplished. The assignment is to ascertain if the present Forest Hill Station can be incorporated into the design of the new station. If it is found that complete incorporation is difficult to achieve, the consultant will provide his recommended approach and alternatives for historic preservation with associated costs. If a finding is made that it is possible to incorporate the existing structure into the design, consultant will proceed on the premise that that will be the accepted design of the station.

Mr. Bei introduced Mr. Peter Bank of the firm of Rutherford & Chekene.

Mr. Bank reported that it has been one month since the firm has been given authority to proceed on Phase I. He said an earlier study had been done, which was the point from which many of the basis of his firm's design would generate. They are considering the historical aspects in the first phase of their ten-month contract. Phase II will encompass working drawings, and Phase III construction. There is agreement with Mr. Bei and UMTA that in Phase I the consultant should be able to make a definite statement regarding direction and final design. Cost and actual physical features will be defined.

Commissioner Pilcher asked if this project is being looked at closely enough in the face of the passage of Jarvis-Gann.

Mr. Banks replied that in a project of this type it would be nice if consultant could go to Muni and say, "Tell us what you want and we will do it", but that is not realistic. He said the approach will be that the consultant has a continuing process in developing the design and testing to see if the design is appropriate. An example has to do with platform width. It is desired to have the platforms the same size as in other stations. However, it may develop that because of wall thickness of the present station, in order to make platforms 2 feet wider a considerable expense would be involved. The matter would be discussed with Mr. Bei. With this type of process the end product will have an appropriate cost.

Commissioner Pilcher asked how many vehicles use the station daily.

Mr. Banks replied that in a peak 10 minute period there are 8 streetcars in one direction and a comparable number of buses.

Commissioner McCrea commented that he thinks the Commission is uneasy in the current fiscal situation about lavishing any more money on the station than necessary. He said it seems that the approach is appropriate. He asked how the Commission stays involved so that decision on what is appropriate and economical is not made at staff level instead of Commission level.

Mr. Wentz replied that an important decision which would translate into dollars would come before the Commission, which would make the final judgment. This would apply to all major decisions.

Mr. Bei explained that consultant has the freedom to evaluate if an underground bus is what is needed at a particular location, but must remain within the guidelines that this is going to be a station handling 10,000 patrons a day. He said Muni is looking 10 and 20 years down the road. The first milestone will come when a decision is made as to whether the existing station can be incorporated into the design and how it could be utilized. Consultant will submit a report.

Responding to a question from Commissioner McCrea, Mr. Bank said that in about 2- 1/2 months consultant will have the answer to the question being addressed, and also will know how the recommended station will look. If the design recommended does not incorporate the existing structure, consultant will also generate a design which does use the existing structure and the accompanying cost of that approach. On this basis the historical question will be addressed and the economics structured.

President Henning suggested calendaring the matter in three months.

Mr. John Elberling of CAPTrans commented that in this case the architect should be given some priorities. At least he should be told what is expendable. If there is a waiting period of three months, he is going to spend a lot of money and time. Perhaps some of this time and money could be saved if he were given some priorities.

Commissioner Sanger commented that consultant will have to begin with some program furnished by Commission and staff. He asked Mr. Bank to explain his plan for initiating the study.

Mr. Bank replied that his firm is beginning with Alternate III. He said there is a considerable amount of information on design criteria, which is being tested by dealing directly with T.I.P staff.

The text of that report is being used as a basic criterion regarding such matters as security of the station, security of personnel, safety of pedestrians, and problems of automobiles.

Commissioner Sanger commented that this is very general criteria.

In the case of Alternate III, he asked if Mr. Bank could see a way that the program of Alternate III could be fulfilled and still maintain the concourse level.

Mr. Bei replied that anything can be done--it just costs money.

Commissioner McCrea asked if consultant is going to use the existing shell in the lower structure.

Mr. Bank replied that it would be most desirable.

Commissioner McCrea stated that there are physical limitations of the existing structure which would make it inadequate. He asked the cost and benefit of removing the pre-existing architectural barriers, and if Commission can afford to spend that type of money.

Commissioner Sanger commented on the advisability of staff preparing a rank ordering of various design criteria in order to provide additional guidance including all of the different concerns except money. This would be furnished to the Commission in order that some sense of the priorities could be determined.

Mr. Bank stated that in any particular scheme some of the criteria would be easier to explain than others. He suggested the alternative of working out the criteria by the consultant as he proceeds with the design. Some criteria will become apparent in terms of rank.

President Henning said he recalled two public hearings, with different schemes posted on the wall. He said the Commission adopted Alternate III as a point of departure.

Commissioner McCrea commented that since that time UMTA has declined funding on Alternate III.

Mr. Bei said there was a hearing before the Board of Supervisors and the vote was 8 to 3 in favor of Alternate III. Any changes in the approved procedure should be made only after notifying residents of the area who supported alternative III.

Commissioner Sanger commented that staff has to give continual guidance, and it is important that staff be explicit in terms of priorities.

Mr. Bei stated that UMTA has not found fault with Alternate III, but wants to be sure the historical preservation ramifications are addressed in the first phase.

Responding to a question from Commissioner Sanger, Mr. Bei stated that staff could prepare priorities and criteria in 4 to 6 weeks.

ITEM NO. 22--Consideration of the composition of the Light Rail Vehicle (LRV) Advisory Board of Control and alternates. (Deferred from meeting of May 23, 1978)

On motion of Commissioner McCrea, seconded by Commissioner Pilcher, the Commission unanimously voted to table this item.

Resolution No. 78-0265--Approving the proposal of the Mayor for a Charter Amendment which would reorganize the Public Utilities Commission and create a Transportation Commission, and urging the Mayor to appropriately handle the administrative location of the Computer Center by placing it under the jurisdiction of the new Transportation Commission.

Mr. C.D. Collins, Director, PUC Computer Center, explained that since UMTA has purchased the computer equipment, it should be placed under the administrative jurisdiction of the new Transportation Commission.

Commissioner Sanger suggested that Mr. Wentz write a letter to the Mayor and to the Legislative and Personnel Committee of the Board of Supervisors indicating that the Computer Center should be a part of the Transportation Commission, if such a Commission is formed.

Mr. McMorris M. Dow, Utilities General Counsel, said there is no reason for this matter of the Computer Center to be in the Charter.

THEREUPON THE MEETING ADJOURNED: 4:52 p.m.

Romaine A. Smith
SECRETARY

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MINUTES
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
George R. Moscone, Mayor

SPECIAL MEETING

Room 2B, CITY HALL
7:30 P.M.

June 13, 1978

COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Welton Flynn
Peter McCrea
John M. Sanger

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
PUC Computer Center

John B. Wentz
GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith
SECRETARY

Call To Order: 7:50 p.m.

Present: Vice President Claire C. Pilcher, Commissioners
Peter McCrea, John M. Sanger
President, John F. Henning, Jr., arrived at 8:00 p.m.

Absent: Commissioner H. Welton Flynn

Vice President Pilcher presided in the absence of President Henning.
Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO

On motion of Pilcher, seconded by Sanger, the
following resolution was adopted:

78-0267 M Urging the Mayor and the Board of Supervisors
to seek alternative revenue sources to maintain
full service on the Muni without a fare in-
crease, if possible.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the
following resolution was adopted:

78-0268 M Directing the General Manager of Public Utilities
to request the Environmental Review Officer,
Department of City Planning, to take appropriate
action regarding the Municipal Railway's
environmental evaluation status to mitigate the
possible consequences of the prevailing emergency.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger

Copies of the above resolutions are on file
in the office of the Secretary of the Public
Utilities Commission.

Resolution No. 78-0267--Urging the Mayor and the Board of Supervisors to seek alternative revenue sources to maintain full service on the Muni without a fare increase, if possible.

Vice President Pilcher stated that the Mayor and the Board of Supervisors made an announcement June 12, 1978, which set forth a fare structure. Therefore, she said, there is grave doubt that the Commission can deal with that issue, but route structures will be considered.

Mr. McMorris M. Dow, Utilities General Counsel, stated that in the Mayor's Proclamation of Emergency he suspended Charter Section 3.595 which has to do with abandonments and discontinuances and changes in service. The Mayor did not suspend Charter Section 3.591 which is the Commission's power to manage and operate the Municipal Railway. Under Section 3.591 the Public Utilities Commission can take steps deemed necessary in terms of service cut backs to meet the emergency.

Commissioner McCrea inquired about the Commission's status with respect to fares.

Mr. Dow explained that the Mayor suspended the Charter Section on setting fares, and acted to set fares on June 12, 1978.

Commissioner Pilcher stated the Commission feels the public should have an opportunity to express themselves on the fare structure.

Commissioner Sanger commented that it may be too late for members of the public to express themselves on fares, but the Commission does have the ability to recommend changes.

Commissioner McCrea noted that it is necessary to recognize that there is a basic trade off between the level of service which Muni can provide with the restrictions on ad valorem tax support and the fare structure necessary to support that service.

Mr. Maurice Klebolt, President, CAPTrans, stated that CAPTrans has been opposed to any fare increases. He noted that at 10:00 p.m., on June 12, 1978, the Board of Supervisors voted to sustain the Mayor's Proclamation of Emergency which put the fares into effect as outlined by the Mayor with one change. The original Proclamation would have posed a problem for the handicapped and elderly in that they would not have been permitted to ride except by paying the normal fee. This was changed so that senior citizens and handicapped will be able to ride without any surcharge. Persons holding a fast pass will be permitted to ride during peak hours without paying a surcharge. Mr. Klebolt remarked there was no public input, and he thinks the entire declaration of emergency should be tested.

President Henning called for comments from the public.

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Mr. Alfred Moser pointed out that Muni drivers receive \$8.10 per hour--\$64.80 per day, and for a 4-week month they earn \$1,298 before taxes. He said some forest rangers, nurses and teachers do not make that amount. He said money should be raised by a decrease in the wages of Muni bus drivers.

Mr. C.R. Arnold, said the proposed fares are too complicated, and place an unfair burden on school children, who must use the Muni before 9:00 a.m.

Commissioner McCrea explained that the newspapers mis-reported the student fare in that it is not limited to off peak hours. He said 35¢ would be the basic fare with a 10¢ surcharge from 6:30 to 9:00 a.m. and from 4:00 to 6:30 with 5¢ premium for express buses. Fast passes would cost \$18, and senior pass \$5. The fare on cable cars would be 50¢, and transfers would be accepted as well as fast passes. Commissioner McCrea said a flat fare would be simpler, with a slightly lesser fare for seniors and students. He said he would advocate no increase in fares--but a flat fare and a half fare or 40% for seniors and students.

Mr. Arthur Chase, a Muni rider, challenged Mr. Moser's statement that Muni operators are too highly paid. He said the Muni driver has people's lives in his hands. He said the Muni is not making money because there are not enough buses on the street now. If more buses were on the streets fewer people would drive their automobiles. He concluded by saying, "Let's take the cream off the top and start cutting there."

Mr. Harry Reich said he was opposed to the proposed fare increase, particularly for seniors. He said there should have been a great deal of public input--that the only people who received no benefit from Proposition 13 are renters, many of whom are seniors, and most of whom ride buses. He said more people will be using cars, especially because of changes in bus routes.

Mr. Sawyer said this is the third public meeting the Commission has held on the issue of fares, and the best attended. He said he would like to ask every speaker opposed to a fare increase what choice he or she would make if faced with raising fares or reducing the service level.

Mr. Reich said the cost of transportation should be paid from public revenues if it can not be met by fares. Alternate methods of funding should be sought. The problem is being met by imposing the burden upon those least able to cope with it.

Barbara Brown of the San Francisco Muni Coalition said her organization is adamantly opposed to a reduction in service or to any fare increase. The Municipal Railway is a service most directly reached by most people in San Francisco, and many people have no other choice. She said she would like to see the Commission not support a fare increase--the Commission should have an opportunity to make its own decision. She said she would like to see trends toward free transit. With a fare increase, buses will be running empty because people can't afford to ride them, and the service will also be cut. San Francisco will be creating a crisis instead of dealing with a crisis.

Commissioner Sanger commented that the Board of Supervisors Special Committee met this date, and discussed the issue of how to raise alternate revenue. Specific proposals were presented. He said Public Utilities has been treated the same as every other City department, and has been given a budget to live with.

Ms. Brown stated the San Francisco Muni Coalition is going to put pressure on the Supervisors to obtain increased revenues from alternate sources. She said a statement is needed opposing the emergency resolution.

Mr. Dennis Hyde said he would like to register a protest about the manner in which the Mayor and the Board of Supervisors handled the fare package. It was not brought before the public before being forced upon them. He said earlier the Mayor rejected an imposition of "employee license fee", which has been upheld by the Supreme Court. He said he was suggesting imposing an "employee license fee" to Commissioner Sanger as being more fair and equitable.

Mr. Paul Muniz said he is opposed to a fare increase. The government charges taxes for the privilege of living in this jurisdiction. Some services are free and some charge a token fee, such as transit. The people of San Francisco said "no" to Proposition 13. Alternative sources of funding need to be considered.

Mr. Walter Ballin, Democratic Club President, stated his organization strongly opposes an increase in Muni fares or a reduction in service. Sixty-five percent (65%) of the people depend on Muni, including many ill and elderly people. Seventy percent (70%) of San Francisco residents are renters not receiving any benefit from Proposition 13. He said two-thirds of the Jarvis-Gann windfall is going to property owners. The property tax must be increased, and it is high time the City put a tax on commuters, he said. He said unproductive administrators should be cut out, and that the burden should be put on corporations.

Mr. Alexander Zelinsky suggested delaying any increase in Muni fares in order to explore the possibility of sending all sales tax money back to San Francisco to provide funding for an efficient and cheap transportation system.

Mrs. Ches said she is retired on a disability retirement. She said the ones who should pay the price on Muni are young people who create trouble on Muni. She said the people at Laguna Honda who are being "pushed around" had nothing to do with Proposition 13.

Mr. Jeff Robie addressed the choice between a fare increase and decreased services. He said there is a third choice--maintain services with no fare increase until the money runs out. He said the people most hurt--renters, poor people, etc., are completely unorganized and need time to organize to fight for alternative sources of revenue and against service cuts.

Mrs. Viola Cassidy objected to the raising of fares. She said this is kicking the "guy" who works for a living. She asked how many people in the Mayor's office or in the Board of Supervisors' office rides the Muni every day. She said she rides the 30, and has given up the 30-Express as she can't get on. The people at Broadway and Columbus can't get on the local. She said anyone connected with cutting service ought to ride the bus.

Jim Lansing said he is opposed to increased fares. Raising fares to 40 or 50 cents will help slightly to balance the Muni budget. He suggested funds be collected from those who drive cars and from commuters. Fares should be kept as low as possible and limited to a single unit. A 25¢ fare is easy.

Mr. John Elberling of CAPTrans said that on the night of June 12, 1978, the Board of Supervisors voted to take money out of the people's pockets in increased fares. This was a sneak attack he said, and fares can now be raised any time without having to go before the voters. He said the Board of Supervisors should be told that the state of emergency is not genuine, and that it takes 30-days to raise fares. He commented that the Board of Supervisors was meeting at that moment taking testimony on how to raise business taxes, but no testimony was being taken on the fare increase.

Mr. Michael Fong, representing Chinatown Research and Improvement Project, said his organization is opposed to a fare increase. For much of Chinatown, Nob Hill and Russian Hill cable cars represent the only service available. He said it is very unfair to make these people suffer higher fares just because cable cars are the only service they have.

President Henning said that is a good argument for the fast pass.

Mr. Fong replied that many of the low income people can not afford to spend the money. He suggested raising parking taxes up to 100 percent (100%) taking some monies from the hotel tax, and trying to obtain some of the BART tax money. He mentioned that cable cars do serve the tourists, particularly in the summer.

Mr. Norman Rolfe of San Francisco Tomorrow, stated that Mr. Elberling said what he was going to say--the place to be is upstairs in the Supervisors' chambers. They have the power to raise taxes, the PUC does not.

Mr. Smith said he was completely opposed to fare increases or to Muni runs being cut. He recommended a 25-cent fare and increased services.

Mr. Lawrence B. Martin, President, TWU Local 250-A, said that the poor, the senior citizens, the handicapped and the poor workers are always caught in the middle of everything, and the operator also gets caught in the middle. He commented that the Muni is just as important as schools, fire and police protection, and that many people live a lifetime without using the Fire or Police Departments, but they do use schools and transportation.

Commissioner Henning asked for a show of hands of people opposed to a fare increase. About three-fourths of the audience responded. No one in the audience raised their hand in favor of a fare increase.

Mrs. Constance Hutchason spoke as a citizen. She said some people voted "yes" on Proposition 13, telling elected officials they wanted the same service for less taxes,. She asked how many elected officials are going to be cut, and how many people in the Mayor's Office and the Tax Collectors Office are going to be cut. She noted that the PUC came up with a \$6 million bookkeeping error. She said if a small business man were running the City there would not be any room for a \$6 million error.

President Henning opened the meeting to the matter of route modifications and operational changes.

Commissioner Sanger asked Mr. Curtis E. Green to indicate the total amount of revenue reported by the fare increase, including AB 1107 funds.

Mr. Green stated that AB 1107 funds would be an additional \$7 million. The fare increase would generate an additional \$13 million, assuming no service cuts. The total amount would be almost \$20 million.

Commissioner Sanger commented that \$20 million would have to come from alternative sources.

Mr. Green stated that Muni staff has been working hard to respond to a request to adjust services to the requirements of Jarvis-Gann, and was going to present a scenario showing what would have to be done if Muni had to adjust services by 20 percent. However, on this date the Mayor said he would allow Muni a budget of 94 percent, and Muni staff has prepared a map showing the \$82 million budget rather than the \$72 million budget. Under the \$72 million

budget it would have been necessary to lay off a large number of employees and drastically reduce services.

Commissioner McCrea explained that the presentation to be made by Mr. Tom Matoff, Municipal Railway Acting Director of Planning, is the recommendation developed by Muni staff based on three public hearings held by the Commission prior to enactment of Jarvis-Gann, plus recommendations of the POM Study, to create a route structure that can be maintained with approximately 94 percent of the original budget. This is slightly less than a 7 percent reduction in service from the service now being provided.

Mr. Thomas Matoff stated that the Planning Department was charged with recommending to the Commission the best possible way to spend the money available to provide service. Basically, recommendations are based on the following criteria. (1) Lines offering high levels of service would be retained rather than maintaining a large number of lines; (2) Duplicate services would be eliminated; (3) There would be a more equitable distribution of services; (4) Community service and shuttle lines would be maintained where possible; (5) Route modifications would reflect the findings of the POM Study, and would also reflect findings of the outreach program. Under the latter program many meetings were held throughout the City.

Mr. Matoff commented that until early this morning staff thought they were dealing with a \$72 million budget. By means of a route map on the wall he outlined services which would be maintained under the \$82 million budget. He said this plan is a proposal which indicates what the planning staff thinks will be the best way to spend the \$82 million budget. A copy of this proposal is attached hereto and made a part of these minutes. He said downtown express service would be retained during rush hours.

A number of measures are being proposed in view of service reductions which would make it more efficient to operate the system. These include implementation of rush hour only auto free zones, staggered work hours for the downtown area, and an agreement with BART whereby BART would keep the first two cars empty for use of San Franciscans after leaving Daly City.

Commissioner Pilcher commented that so far BART has refused to do that. She suggested that the public write letters to BART/management and contact appropriate representatives.

President Henning acknowledged the service of the planning staff over the last three weeks, stating they had been working 18 hours a day. He said he wished to particularly acknowledge the service of Mr. Matoff, commenting that the City is proud of this caliber of employee.

Mr. Lawrence B. Martin, commented there are many unanswered questions. The Mayor has promised an \$82 million budget, which would require minor trimming of service. Supervisor Kopp has proposed 100 percent operation of Muni. He asked why changes and cuts are being proposed. He asked how many man hours are involved under the new proposal.

Mr. Green commented that monies were taken from the budget after it was approved for \$88 million. He said, however, if the Mayor approved the budget for \$82 million, Muni will have to effect a reduction of \$6 million.

Mr. Martin noted that operators will not be receiving an increase in wages this coming fiscal year. He said the public must have an opportunity to look at proposed changes and modifications. He said the POM Study was based on a new LRV system, which is not included in the proposed operation. He asked if any State or Federal funds are forthcoming.

Commissioner Sanger stated that the proposal has not been implemented as yet, and that a month ago the planning staff was asked to seek ways to offer the highest service possible. The dollar figure has changed every week, and has changed in the last 24-hours.

Mr. Matoff and Mr. Brooke Kantor have been working very hard, but it is still not known what the exact revenues will be.

Commissioner Pilcher commented that this is not the first time the Commission has discussed routes. She said there was little reaction from the public in hearings throughout the City.

Mr. Martin said that under the POM Study there was to be crosstown service as well as downtown service.

Commissioner McCrea said there are only 5 or 6 lines which will have any substantive changes.

Mr. Maurice Klebolt commented that the Mayor has stripped the Commission of its powers. He said the Commission had made a commitment that there would be four hearings on the POM Study, but to date only work shops have been held. There has not been a public hearing to discuss re-routing under the POM Study. He said this was put off because of the scare of Jarvis-Gann. He noted that the Mayor can put the proposed plan into effect, but the Commission can regulate it to serve the convenience of the public and manage it.

Mr. Klebolt alluded to the item of tax supported automobiles, and recommended going back to 1975-76 and telling the public how many bureaucrats have been added to management level. He said \$600,000 could be saved, and stated that when Charles Miller was General Manager, Municipal Railway, he did not need three (3) Deputy General Managers. He said 22 fare collectors in the car barns are not needed--car cleaners could do this work. He suggested cutting 22 inspectors, pulling out of APTA, and moth-balling the Muni Metro system. He said the plan is to add 119 employments next year for the Muni Metro system. The cry is "hold, hold" he said. Before one clerk or platform operator "bites the dust" a proportionate cut should be made in management and double dippers. If route schedules are going to be trimmed, fat should be trimmed at the management level. He said a special assessment tax could be levied on downtown corporations such as Standard Oil and Southern Pacific. He said no money has been received for the PCC cars, and no one cares about the cable cars. The public will pay dearly in years to come.

Mr. Cornell Gatewood, Executive Vice President, TWU Local 250-A said there would be a problem with schedules, and that people East of Masonic Avenue would be almost without service. He said the 71 and 72 lines should be local buses all the way.

Mr. Matoff said there would be local service East of Masonic Avenue on the #6 line.

Mr. Gatewood said the #6 line would be so crowded that people East of Masonic would not be able to board it.

Mr. Ray Jenkins, an officer of the Janitor's Union, commented that 3900 members of the union work downtown between 5 p.m. and 2 a.m., and 1700 members of his union rely on the Muni to get to and from work.

Mr. Matoff explained that Owl-service remains as it is at present.

Mr. Jenkins also referred to proposed staggered work hours, stating that janitors are not going to report to work any later than they are now doing.

Mrs. Genevieve Deeds, representing the Clement Street Merchants, stated that the merchants are concerned with reduction in service to Clement Street, and are also concerned about changes in the #55 line.

Mr. Sherman said that taking the #45 line out of service, as well as the Marina segment of the #28 line will be a handicap to anyone living in the Marina.

Mr. Robert Ransome of the Telegraph Hill Dwellers said his organization is very pleased that the #39 bus will not be eliminated.

Mr. Ziegler said he thinks the proposal is a bad one. He referred to the #38 bus going straight out Geary Street, and said it would be difficult for people to walk the steep hills to get on a #38 bus. He also added, that the Clement Street bus is a critical bus, and that the #55 bus is an important feeder for people going to Chinatown.

Responding to a question from Commissioner Sanger, Mr. Matoff explained that the #2 Express provides service from the northern part of the outer Richmond district to the northern part of the financial district. He said the #1 and #55 lines would become a single through line, but this can not be done immediately, because electrification must be provided.

Ms. Barbara Brown stated that people are going to be forced to pay more for less service. She said the Commission must take a strong stand against a fare increase.

Commissioner Sanger asked how many runs are assumed to be cut overall.

Mr. Matoff answered, "In terms of peak vehicles on the order of 75 or 80".

Responding to a question from Commissioner Pilcher, Mr. Matoff stated there are now 786 runs in operation during the peak period.

Commissioner Pilcher noted this is a 10 percent reduction, while there is only a 7 percent reduction in the budget.

Mr. Matoff replied, "That is where most of the cost is." He said there are reductions in off peak services as well, but the problem will be with peak hour service, as it will be crowded during rush hours.

Mr. Arthur Andrews stated that he lives in the Western Addition. He is unemployed and his wife is a stroke patient. He said the #21 buses are bunched up and crowded, and the #22 line is going to cut five runs. On these lines, as well as on Clement Street people are unemployed and sick. Some go to the Veterans Hospital. He asked that present service be retained. He said the increased fares mean a lot of money to him.

Ms. Marguerite Warren said she lives in the West side of San Francisco. She said she can not get aboard either the #71 or #72 coming from downtown, so she drives her automobile which costs money. She said the #6 line will not provide enough service along Bright Street. She commented that every person who needs emergency services will have to transport themselves to Mission Emergency Hospital, and that Muni staff should also consider other agencies involved in cut backs.

Commissioner McCrea stated that no one on the Commission is advocating cutting service.

Mr. [Name] was born at [Location], [State], [Date]. He is now residing at [Address], [City], [State].

1. The first group of people who are interested in the study of the history of the United States are the people who are interested in the history of the United States.

11. Robert Persons of the Jesuits, who thought that the
Jesuits were a very clever set of men and who had been a

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may want to have a review. The Committee will take a second look at the report.

CONFIDENTIAL - SECURITY INFORMATION

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How is this a product of the system?

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1. The first section of the report deals with the general situation of the country and the results of the survey. It is divided into two parts: a description of the country and a description of the survey. The second section deals with the results of the survey and is divided into two parts: a description of the results and a description of the survey. The third section deals with the conclusions of the survey and is divided into two parts: a description of the conclusions and a description of the survey. The fourth section deals with the recommendations of the survey and is divided into two parts: a description of the recommendations and a description of the survey. The fifth section deals with the conclusions of the survey and is divided into two parts: a description of the conclusions and a description of the survey. The sixth section deals with the recommendations of the survey and is divided into two parts: a description of the recommendations and a description of the survey. The seventh section deals with the conclusions of the survey and is divided into two parts: a description of the conclusions and a description of the survey. The eighth section deals with the recommendations of the survey and is divided into two parts: a description of the recommendations and a description of the survey. The ninth section deals with the conclusions of the survey and is divided into two parts: a description of the conclusions and a description of the survey. The tenth section deals with the recommendations of the survey and is divided into two parts: a description of the recommendations and a description of the survey.

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific information required.

Ms. Warren commented that the condition is being aggravated by taking service from Haight Street on the #7 line.

Commissioner Sanger said that is true on every other street. He asked if it is possible that schedules on the #71 and #72 lines would be changed to afford additional capacity although the #7 line would be eliminated.

Mr. Matoff replied that the situation on the #71 and #72 lines would not get any worse, and that the problem is with the evening rush hour. He said Market Street would be less congested so that coaches could be turned around to provide better use.

Commissioner Sanger stated that the Commission is unwilling to see abandonment of Owl-service and unwilling to see any area without service at all.

Commissioner Pilcher stated that the message is clear, she moved that the Commission make a strong statement to the Mayor and the Board of Supervisors that a large segment of the public wants no reduction in service, no fare increase, transportation to hospitals, and service for senior citizens in hilly areas.

Commissioner Sanger seconded the motion.

Mr. Klæbolt stated that Supervisor John Molinari is very concerned that he cast a vote on June 12, 1978, for a fare increase and route modifications. He favors holding fares and the route structure out of the emergency resolution and placing it in the hands of the PUC.

Commissioner Sanger said he would be less than honest if he thought the problem could be solved without alternative revenue sources. He said the concept of installing the Muni Metro system should be included in any budget adjustment. He said service cuts would be a disaster without revenues, no matter where the revenues come from. He said cuts in service would be worse than any fare increase could possibly be.

Commissioner McCrea said he agreed with that, and that the Commission should be doing everything possible to obtain 100 percent funding without a fare increase. He said it is better to maintain service and get fares that would sustain service.

The motion made by Commissioner Pilcher and seconded by Commissioner Sanger was unanimously passed by the Commission.

Mr. Charles R. Arnold, stated that a part of the outer Mission #36 line could be cut and could be picked up by the #54 line.

President Henning stated that the staff proposal could be refined and that it might be productive to have another meeting in four to five days to tell the public what the new routes will be.

Mr. Wentz stated he thought the Commission might wish to have a look at the line item budget, and that perhaps this could be combined with the route modifications.

President Henning said he would like to give the public some notice.

Commissioner Pilcher was excused from the meeting at 10:45 p.m.

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

There would be a judgment
would be directed to report, which would be
needed if it is possible. This judgment is for the
Commissioner. I am not sure what should be done.

Mr. Wentz stated that he hoped the Commission would authorize him to send a letter to Selina Bendix, the Environmental Review Officer of the Department of City Planning, requesting that the requirements of the California Environmental Quality Act regarding route abandonments and changes be suspended.

Commissioner Sanger moved, Commissioner McCrea seconded, and the Commission unanimously adopted a resolution authorizing the General Manager of Public Utilities to communicate to Dr. Bendix regarding EIR requirements on fare and route changes.

President Henning acknowledged the presence of Supervisor John Molinari, who stated that the Board of Supervisors Special Committee on Proposition 13 had concluded hearings. He said that on June 14, 1978, he would introduce a motion to rescind the portion of the emergency proclamation dealing with fare increases. He said he was under the impression that the CEQA provisions of the Charter were being waived, as well as those sections dealing with time requirements, but there would still be public hearings. He said he was surprised to find that the Board of Supervisors had adopted a fare increase, and that his vote in voting for that proclamation was not for a fare increase.

Responding to a question from Commissioner Sanger, Supervisor Molinari said his intention is to make a motion to rescind Section 10 of the proclamation and to present a new Section 10. This would still allow for the public hearing process by the PUC, but would waive time requirements for notice and the requirement of an EIR. If the PUC were to come up with a fare increase, he would make that recommendation to the Board of Supervisors.

Commissioner Sanger asked if there would be separate hearings by the Board of Supervisors.

Supervisor Molinari said he is still going to vote for fare increases, but believes that the hearing process must be protected.

Commissioner McCrea said the Commission would rather not raise fares, but if it comes to a choice, fares would have to be raised rather than service cut.

Supervisor Molinari commented that the Board of Supervisors went through six (6) alternative revenue sources this date, and all went to committee.

Commissioner McCrea said everyone is committed to 100 percent service, and money is needed no matter where it comes from.

Mr. Hall said Muni is still a real bargain compared to systems in the East.

Commissioner Sanger moved an amendment to the previous resolution, stating that the Commission communicate to the Board of Supervisors its unhappiness regarding adoption of fare increases prior to public hearings by the Commission, and its desire to see that hearings have been conducted and will be conducted with validity.

Mr. McMorris M. Dow, Utilities General Counsel, advised that the Commission may make recommendations regarding fare increases.

Responding to a question from Commissioner Sanger, Mr. Dow stated that normally all fare adjustments have to have a five day notice followed by a ten day "wait" prior to the hearing.

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THE BOARD OF INVESTMENT
OF THE DISTRICT OF COLUMBIA

Approved for release by NSA on 08-28-2014 pursuant to E.O. 13526

Commissioner McCrea commented that Supervisor Molinari was going to have the time requirement waived.

Commissioner Sanger moved that the Commission add in the communication to the Mayor and the Board of Supervisors, as a result of the public hearing held this date, that prior to any final action on fare increases, the Mayor and the Board of Supervisors benefit from the views expressed by the public and by the Commission in its continued deliberations on Muni fares and alternative revenue sources.

Commissioner McCrea seconded this motion, which was unanimously adopted by the Commission.

Mr. Davis Hearst suggested that a 10 percent increase in efficiency would result in a run that takes an hour being cut by 10 percent. He commented there could be transit only streets, and an honor system whereby patrons could exit and enter through rear doors. The POM Study indicated that one of the major sources of disruption of service is that patrons are trying to get on and off the bus through the small front doors.

Mr. Muniz commented that three buses going to the terminal as #8's do not have to leave the terminal as #8's.

THEREUPON THE MEETING ADJOURNED: 11:04 p.m.

Romaine A. Smith
SECRETARY

Enclosed are two copies of the report of the
to the Board of Directors.

Enclosed are two copies of the report of the
to the Board of Directors. The report is
dated 10/10/1910 and is signed by the
President of the Board of Directors.

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to the Board of Directors.

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

SPECIAL MEETING

Hall of Flowers
9th Ave. & Lincoln Way
Golden Gate Park

5:10 P.M.

June 20, 1978

COMMISSIONERS

- John F. Henning, Jr., President
- Claire C. Pilcher, Vice President
- H. Welton Flynn
- Peter McCrea
- John M. Sanger

DEPARTMENTS

- Municipal Railway
- Hetch Hetchy Project
- Water Department

BUREAUS

- Accounts
- Public Service
- Personnel & Training
- Safety
- PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 5:10 P.M.

Present: Vice President Claire C. Pilcher, Commissioners
H. Welton Flynn, Peter McCrea, John M. Sanger
President John F. Henning, Jr., arrived at 5:25 P.M.

Vice President Pilcher presided until the arrival
of President John F. Henning, Jr.

Discussion preceding adoption of Resolutions is attached.

RESOLUTION
NO.

On motion of McCrea, seconded by Pilcher, the
following resolution was adopted:

78-0270 M Changing student fares to ten cents (10¢) in
order to make them subject to the same rules
prescribed by the Public Utilities Commission
for the handicapped, and for senior citizens
over the age of 65.

Vote: Ayes- Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the
following resolution was adopted:

78-0271 M Determining that the value of tokens sold by
the Municipal Railway shall be fixed at 45 cents,
and that the tokens will be accepted in lieu of a
45 cent cash fare or in lieu of any cash fare
fixed at a level less than 45 cents.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the
following resolution was adopted:

78-0272 M Endorsing a shopper shuttle fare of twenty cents
(20¢), and requesting the Mayor and the Board
of Supervisors to amend the Proclamation of
Emergency to include the following: (j) Shopper
Shuttle fare for each passenger shall be twenty
cents (20¢) or a valid transfer.

Vote: Ayes Henning, Pilcher, McCrea, Flynn
NO- Sanger

Copies of the above resolutions are on file in
the office of the Secretary of the Public Utili-
ties Commission.

10/10/10

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At the request of Vice President Pilcher, Commissioner Peter McCrea read a letter from Mayor George R. Moscone to President Henning dated June 20, 1978. A copy of this letter is attached hereto and made a part of these minutes.

Commissioner Pilcher commented that, in summary, the Mayor has now instructed that the fare increase means no cut backs in Muni service.

Responding to a question, Commissioner Pilcher explained that the Mayor's Proclamation of Emergency provided for a fare increase effective July 1, 1978. It was approved by the Board of Supervisors.

ITEM NO. 6--Consideration of Municipal Railway route modifications involving service abandonments and relocations; recommendations for other actions to facilitate transit operations; 1978-79 budget; additional observations concerning fare increases and any other matters relating to accommodating operations to Proposition 13.

Mr. John B. Wentz, General Manager, Public Utilities, said that the item indicates that the Mayor states that his office will provide an operating budget of \$89 million, and recites the various sources of funds which will allow for a continued level of operation with no service cuts. He stated that the calendar item discusses a number of other actions which the Commission may wish to consider which have nothing to do with fares and specific routes, but with implementations which may affect operational efficiencies in the transit system. Mr. Wentz said it will be incumbent on the Commission in the next 3 or 4 months to proceed with the implementation of the POM Study, which recommends a number of route changes. That process involves several meetings to be held in the community by the Commission, followed by some hearings at City Hall.

Mr. Wentz commented that there were two additional last minute calendar items distributed to the Commission--one of which concerns student fares. The Mayor's Proclamation of Emergency did not spell out student fares in detail, but did state these fares would be ten cents for each passenger. The calendar item recites recommendations for application of these fares.

Mr. Wentz stated the other item has to do with establishing the value of a token, which is used by a number of City Departments, particularly in welfare activities. This item does not establish a fare, but places a value on the token. The Commission does have authority to act without referring this item to the Mayor or Board of Supervisors.

Commissioner Pilcher stated that the reason for the meeting being called is moot, as there will be no cuts in service and no route changes discussed.

Commissioner John M. Sanger, in order to clarify the situation, moved that consideration of all modifications of existing routes or schedules be tabled, and that Muni continue with the current level of service and with current routes until such time as further staff recommendations for improved service are brought to the Commission in accordance with the POM Study.

Commissioner H. Welton Flynn seconded the motion.

Mr. Thomas Matoff, Acting Director of Planning, Municipal Railway, explained that the POM Study began three years ago when money was provided to Muni to hire consultants to look into the question of the manner in which Muni performs service in San Francisco. The study was completed in 1977 and presented to the Commission. Because it made some elaborate recommendations for restructuring, particularly regarding the LRVs under Market Street, the Commission felt that a wide body of public opinion should be assessed in order to insure that the public was informed regarding the recommendations made by the consultant.

At the request of the President, the Commission on the Status of Women was established in 1945. The Commission was composed of representatives of the Executive, Legislative, and Judicial branches of the Government. The Commission was charged with the task of studying the status of women in the United States and making recommendations for their improvement.

The Commission held numerous public hearings and received many suggestions from women's organizations and individuals. It also conducted extensive research into the various problems facing women in the United States.

In 1946, the Commission issued its report, "The Status of Women in the United States." This report was a landmark document in the history of the women's movement. It identified the major problems facing women and proposed specific measures for their solution.

The Commission's report was widely discussed and debated. It led to the establishment of the National Commission on the Status of Women in 1951. This new commission was charged with the task of continuing the work of the original commission and making further recommendations for the improvement of the status of women.

The National Commission on the Status of Women held many public hearings and received many suggestions from women's organizations and individuals. It also conducted extensive research into the various problems facing women in the United States. In 1952, the Commission issued its report, "The Status of Women in the United States: A Progress Report." This report was a landmark document in the history of the women's movement. It identified the major problems facing women and proposed specific measures for their solution.

The Commission's report was widely discussed and debated. It led to the establishment of the President's Council on Women and the Family in 1953. This new council was charged with the task of continuing the work of the original commission and making further recommendations for the improvement of the status of women.

The President's Council on Women and the Family held many public hearings and received many suggestions from women's organizations and individuals. It also conducted extensive research into the various problems facing women in the United States. In 1954, the Council issued its report, "The Status of Women in the United States: A Progress Report." This report was a landmark document in the history of the women's movement.

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Late in 1977, the Muni Planning Department conducted an extensive outreach program of nearly 80 meetings. District work shops were held which were publicized by 300,000 leaflets distributed with telephone bills and in Muni vehicles. Notes were taken at the work shops, and an explanation was given of the Muni five-year plan. The first phase of the public process has ended. Every person who attended a public meeting and signed a roster, or who sent a letter will be sent a summary of proposed changes together with a schedule of hearings after the staff's recommendations are put together. People who so desire will be sent a copy of the draft of the five-year plan in advance of the five PUC meetings which will be held in late August or September, 1978. Following this the Commission will make recommendations on adoption of the master plan and adoption of the first phase to implement the first part of the plan.

Mr. Matoff stated that five evening meetings will be held by the Commission in neighborhood communities. These will be advertised in the newspapers, as well as in Muni vehicles.

Mr. Reich stated that in the event the budget figures proposed are not met, service cuts may have to be made, and the matter could be opened at any time. He suggested that the motion for tabling be withdrawn, and a motion be made that service cuts be discontinued forever.

Commissioner Sanger explained that the motion to table has to do with route modifications, not service cuts. Until the POM Study recommendations are considered, or until there is some other requirement, route modifications will not be considered. Route modifications could be made to improve service. That is what the POM Study is about.

President Henning noted that a motion was made and seconded to table consideration of all route modifications of existing routes or schedules. This motion was unanimously passed by the Commission.

Resolution No. 78-0270-- Changing student fares to ten cents (10¢) in order to make them subject to the same rules prescribed by the Public Utilities Commission for the handicapped, and for senior citizens over the age of 65.

Commissioner Pilcher commented that the staff proposal states that the regular off-peak student fare will be ten cents, and expresses concern about the many variations in the student fare structure. She stated that student fares should be the same across the board in order to avoid confusion.

Mr. Rod Bartholomew, Acting General Manager, Operations and Administration, explained that the student fare is equal to the senior fare. However, with the new rule changes there is a peak-hour student fare and an express service student fare. The proposed resolution would simplify the matter and allow students to ride for ten cents at all hours, except when they ride to the ball park.

Resolution No. 78-0271--Determining that the value of tokens sold by the Municipal Railway shall be fixed at 45 cents, and that the tokens will be accepted in lieu of a 45 cent cash fare or in lieu of any cash fare fixed at a level less than 45 cents.

President Henning explained that passage of this resolution will simplify fare collection by increasing the value of the token from 25 cents to 45 cents.

Commissioner McCrea added that these tokens are not on sale to the general public.

Mr. Wentz commented that tokens are purchased by City Departments for people such as welfare recipients, and the proposed resolution would bring the tokens to the level of the new fare structure.

Mr. Bartholomew noted that at times a citizen will come to the Muni offices stating that he has lost his funds and has no way to get home. He is given a token.

A man in the audience asked if the Federal government is going to have to pay 45 cents.

Mr. Bartholomew answered affirmatively.

Mr. Curtis E. Green, General Manager, Municipal Railway, said that presently the value of the token is 25 cents, and it would be increased to 45 cents. The City Attorney has advised that this is legal.

Commissioner Sanger asked about a problem being created by having one token at the value of peak-hour service.

Mr. Green agreed that if the token is used at non-peak hours it will be sold for 45 cents. He said that Muni is pressed for time with a time limit of July 1, 1978, but that perhaps staff will be able to come up with something for the 35-cent time span.

Resolution No. 78-0272-- Endorsing a shopper shuttle fare of twenty cents (20¢), and requesting the Mayor and the Board of Supervisors to amend the Proclamation of Emergency to include the following: (j) Shopper Shuttle fare for each passenger shall be twenty cents (20¢) or a valid transfer.

Commissioner Sanger asked if the Commission should or could act to change the fare on the shopper shuttle.

Mr. McMorris M. Dow, Utilities General Counsel, stated that it is his belief that the shopper shuttle is no more because it is now the same as any other regular fare. For the Commission to re-establish it would require an amendment to the Mayor's Proclamation of Emergency. The Commission can make this recommendation.

Commissioner Sanger stated he thought staff should make a recommendation to continue the shopper shuttle with a 35 cent fare or to discontinue it.

Mr. Green commented that staff came before the Commission a few weeks ago stating that the revised shopper shuttle route adjustments would be temporary and patronage would be carefully observed.

Commissioner McCrea stated that staff should make a recommendation on an appropriate level for the shopper shuttle fare for a six month trial period. This recommendation could be acted upon at the PUC meeting of June 27, 1978, and forwarded to Mayor Moscone.

Commissioner McCrea moved that a letter be sent to Mayor Moscone asking that his Emergency Proclamation be modified to set the shopper shuttle fare at 20 cents. Commissioner Pilcher seconded the motion.

Commissioner Sanger said he was bothered by the number of different fares- 50¢, 45¢, 35¢, 20¢ and 10¢.

Mr. Green pointed out that the only difference is one fare--the surcharge. The rates have changed, but the numbers of fares are only increased by one.

Commissioner Pilcher commented that this fare would apply only on the shopper shuttle, which has always been a different fare.

Commissioner Sanger said he would prefer to adopt a 10 cent fare rather than have another new fare.

Commissioner Pilcher questioned leaving it the way it is now, while raising everything else.

Mr. Green stated that from the standpoint of fairness he would support going to 20 cents for shopper shuttle service.

Commissioner Sanger noted that the basic off-peak fare is increased 40 percent, and that shopper shuttle service operates only during off-peak hours.

Mr. Green said it is the biggest loser Muni has, and in this time of Jarvis-Gann those who use it ought to pay for it.

Commissioner Pilcher asked, "When you were doing projections of income and budgets what did you anticipate the shopper shuttle fare would be?"

Mr. Green replied that it was put in at 20 cents. "It now makes about \$200 a day, but \$400 is better than \$200".

Commissioner Sanger said he sees an opportunity to find out if the fare makes any difference on the shopper shuttle. He said it bothered him that off-peak fares are going up at all. He said he would adopt a 10 cent fare.

Commissioner Henning said it has been moved and seconded to request the Mayor to modify his emergency proclamation to set the shopper shuttle fare at 20 cents. Commissioners Henning, Pilcher, Flynn and McCrea voted "aye". Commissioner Sanger voted "no".

President Henning invited comments on matters other than route changes from people who signed signature cards, noting that route changes are now moot.

Commissioner McCrea stated that before asking for public comment he would like to make a motion. He said he was disturbed by the action of the Board of Supervisors in adopting such a small increase in the parking tax. It is not in keeping with the size of the fare increases imposed on the Municipal Railway. He said he would like a letter sent to the Mayor and the Board of Supervisors recommending that the parking tax be raised to 50 percent instead of 25 percent tax adopted on June 19, 1978, or that a one dollar (\$1) surcharge for parking longer than four hours (4) be instituted.

Commissioner Sanger seconded the motion, and commented that south of Market parking lots operate at \$1 for all day parking. He said that is not sufficient, even with an increase in the parking tax, to maintain parity with the increase in Muni fares, and that perhaps a \$1 surcharge would be more effective.

Mr. Maurice Klebolt, CAPTrans, said he thought the thrust of the move by the Board of Supervisors was toward a policy adopted by this administration during the emergency to eliminate special funds. He said the Board of Supervisors would not take funding from garage funds and earmark them for Muni.

Commissioner McCrea explained that Commission is asking for a parking tax that would maintain parity with increased Muni fares.

Mr. Klebolt commented that the gross receipts tax went up to 1.5 percent, which will not be earmarked for Muni, but will go into the general fund. He suggested a special assessment on high rise apartments downtown. He said now is the time to create a special assessment district for the sole purpose of subsidizing transit.

Commissioner Sanger commented that the patrons of Muni are in effect contributing to the general fund by bearing a fare increase. He said those who use automobiles should make a similar adjustment. Jarvis-Gann excludes special assessment, he said.

Commissioner Pilcher stated that the Commission is trying to discourage people from using automobiles by making it economically less desirable to drive downtown. If more cars were on the street there would be fewer patrons on Muni. She said the Commission's function is to see to the efficient running of the Municipal Railway system.

Mr. James A. Schroeder, who was in the audience, commented that "Jarvis-Gann said cut the fat--don't tax someone else". He said more decent service should be provided--that the service is bad.

Mr. Norman Rolfe of San Francisco Tomorrow, said he supported Commissioner McCrea's motion. The transit passenger is being "socked" with an 80 percent increase, and it is only fair that rush hour motorists be taxed with something approximating that 80 percent cost. He noted that in San Francisco the majority of voters voted "no" on Proposition 13.

A minute order on the motion by Commissioner McCrea was passed by the Commission. Commissioners Henning and Pilcher voted "aye". Commissioner Flynn voted "no"

Commissioner Henning opened the meeting to the public, again inviting comments from people who signed signature cards.

Mrs. Mary Goodsell, Park Merced Residents' Organization, said she appreciated the Commissioners holding the meeting even though the steam had gone out of it. She asked if "student" referred to an age group.

Mr. Green explained it is the age group 5 through 17 and it doesn't matter if the student attends high school or college.

Mrs. Goodsell commented on the senior citizen fare, stating that it is unfair to the City when this privilege is extended to tourists who pick up a 10 cent ride on the Muni.

Mr. Green explained that federal regulations provide for seniors paying half the base fare. San Francisco has decided to give senior citizens an 80 percent reduction.

Mr. Russell J. Daily, San Francisco Council of District Merchants Association, did not respond.

Mr. Marcus W. Turk, Clement Street Merchants Association, did not respond.

Mr. Adrian Blumberg, 540 Leavenworth Street, said he had already spoken.

Mr. Chick Brody, representing senior citizens, said that the senior citizens pass will be raised from \$2.50 to \$5.00 July 1, 1978. He said he would like the Mayor to know what that \$2.50 raise means to persons on a fixed income. He also commented that older people have to walk out into the middle of the street because automobiles are parked in the bus loading zones..

President Henning, stated that the latter matter has been raised before, and progress is being made.

Mrs. Constance Hutchason of Judah Street Merchants and Property Owners Association, said there will be fare increases and no cuts in service. She asked what cuts have been made by the administrative staff, and which fixed expenses are being cut.

Mr. Green stated that staff is prepared to show a percentage cut across the board in services, administrative staff and operational staff. He commented that at the PUC meeting of June 13, 1978, Muni received a full service budget. That does not mean, however, that staff will not come back to the Commission with plans to show what Muni is doing to reflect the spirit of Jarvis-Gann.

Commissioner Pilcher stated that the Commission has in the past, and will continue to direct Muni staff to improve services and cut administration wherever possible. The feeling of the Commission is that in view of the fare increase, everything possible will be done to improve services.

Commissioner Sanger commented that Muni has a budget, and its aim should be to shift as much as possible from monies committed to operations which do not actually put vehicles on the street to operations which improve service. He said he had intended to request that staff come to the Commission with proposals for re-arranging the budget to maximize runs made and vehicles running in the street.

President Henning directed the Secretary, Public Utilities Commission, to calendar this matter for discussion at the Commission meeting of June 27, 1978.

Ms. Idamay Brewster, representing Stonestown Shopping Center, did not respond.

Mr. Farrar R. Dodge, representing the Sierra Club, San Francisco Chapter, stated he filed a letter with the Secretary, PUC. He stated that fast pass is going to cost \$18. He suggested two things to increase revenue from the sale of fast passes. One would be to raise the rate for non-residents, as many people come from Marin County and purchase a fast pass. Also, some identification could be placed on the fast pass. He said he knows of entire families using one fast pass and giving it to friends.

He said there is also the matter of enforcement of parking violations--that many people are parking free. He counted 100 parking violations riding home on the #2 bus. That source of money could be earmarked for Muni. He commended the transit police for "cracking down" on people parking in bus zones.

Mr. Harry Reich, a senior citizen, asked the Commission to appeal to the Mayor to rescind the fare increase.

Commissioner Pilcher said that at the special meeting of June 13, 1978, a letter was authorized to the Mayor on this matter.

Mrs. Helen Scozzafava of the Glenridge Council did not respond.

Mr. Klebolt stated that \$50 or \$60 million in additional funds will be available for fiscal year 1978-79, but there will be no money for ensuing years. He said the Commission will have to re-evaluate Muni and begin to implement the POM Study. He also asked why Muni patrons have to tolerate sitting on hard plastic seats.

Mr. Isadore Amato stated he has been working for the School Department for 20 years, and that the students are ripping the seats on buses. Regarding the increased fares, he asked if the fares would be rolled back at the point where anticipated revenues meet expenses.

President Henning stated the Commission would recommend that.

Mr. Burgess Webb, of Friends of Noe Valley, stated he was present to register his organizations disbelief and displeasure at the fare increase. It is the belief of Friends of Noe Valley that the answer lies within Muni and not within the fare box.

Mr. James A. Schroeder asked if Commission is empowered to do anything about Muni fares.

President Henning replied "no".

Commissioner McCrea added that route changes will be the subject of a public hearing previously scheduled. The Mayor and the Board of Supervisors have provided money to maintain service at the current level. Any route rescheduling can be done under previously established rules of the Commission.

Mr. Schroeder asked, "What is the subject tonight?"

President Henning, replied, "We have lost our subject".

Commissioner McCrea commented that the Commission thought it was better to hold the public meeting as advertised rather than cancel the meeting.

President Henning explained that the subject of route changes would be addressed at the regular Commission meeting of June 27, 1978.

Ms. Hutchason asked if power returns to the Commission at some time.

Mr. McMorris M. Dow, Utilities General Counsel, stated that the emergency proclamation by its own terms expires June 30, 1979, unless it is rescinded earlier.

Ms. Sharlene Hall of Clement Street Merchants West, asked if special buses for the Recreation and Park Department will run this summer. She said she has a child who is planning to attend day camp.

Mr. Green said Muni will provide all of the services this summer which were provided last summer with respect to day camps.

Mr. Klebolt stated that CAPTrans, in the spirit of Jarvis-Gann, "bit the bullet" on June 17, 1978, and gave back to the City its yearly allocation of \$1,000.

THEREUPON THE MEETING ADJOURNED: 6:43 P.M.

Romaine A. Smith
SECRETARY

18
JUL 31 1978

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor
Room 282, City Hall

2:35 P.M.

June 27, 1978

COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Welton Flynn
Peter McCrea
John M. Sanger

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:36 p.m.

Present: Vice President Claire C. Pilcher, Commissioners H. Welton Flynn, Peter McCrea, John M. Sanger

Absent: President John F. Henning, Jr.

Vice President Pilcher presided in the absence of President Henning.

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO.

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0273 HH Approving Department of Public Works proposal for construction of new street lighting on Taylor Street from Golden Gate Avenue to California Street.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0274 HH Authorizing bid call for HH Contract No. 591 for Cherry Road slide repair. Estimated Cost, \$65,000.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0275 HH Approving modification in the debit amount of \$4,000 to provide funds for additional work under HH Contract No. 536, Streetcar Overhead System, West Portal Avenue, Conversion for Pantograph Operation and Related Street Lighting Work. (Power Improvement Program/ Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0276 W Authorizing bid call for WD Contract No. 1747-Resurfacing Ravenswood Road, San Mateo County and San Antonio Dam Road, Alameda County. Estimated Cost of work, \$36,000.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0277 M Approving Contract Change Agreement No. 22 in the debit amount of \$47,251 to provide for changes in the work, under SFMRIC Contract No. MR-609- Muni Metro Rail Center, and requesting the San Francisco Municipal Railway Improvement Corporation to approve and execute Contract Change Agreement No. 22. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0278 M

Approving Contract Change Agreement No. 23 in the debit amount of \$94,397 to provide for the addition of an LRV pass-over inspection pit on the service loop under SFMRIC Contract No. MR-609-Muni Metro Rail Center, and requesting the San Francisco Municipal Railway Improvement Corporation to approve and execute Contract Change Agreement No. 23. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0279 M

Approving modification No. 1 in the debit amount of \$46,000, to provide for the removal and replacement of unsuitable subgrade material, under Contract No. MR-643- M Line Track Reconstruction, Junipero Serra Blvd. to St. Francis Circle and Broad Street and Plymouth Avenue Intersection. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0280 M

Approving payment of claims, amount \$61,737.85, from Municipal Railway revolving fund, month of May, 1978.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0281 M

Approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount \$7,142.06, month of May, 1978.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0269 M

Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$191,463.86.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0282 M

Authorizing the Director of Property to prepare the necessary legislation for adoption by the Board of Supervisors to consummate the execution of a quitclaim of a portion of the Water Department's 36-inch Alameda pipeline and right-of-way.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

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On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0283 W

Approving supplemental appropriation, amount \$14,928, to provide funds to implement Phase I of the San Francisco Water Department Land Engineering reorganization and modernization program.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0284 M

Requesting the Mayor and the Board of Supervisors to join with the Public Utilities Commission in support of a Municipal Railway Advertising Shelter Program, and requesting that procedures be initiated for its implementation. (Transit Improvement Program) Deferred from meeting of May 23, 1978.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0285 M

Commending Carl Payne, Pete Pavelukevich, and Michael McClure for their service and representation in the 1978 Cable Car Bell Ringing Contest.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0286 M

Approving the terms and conditions and authorizing the execution of that certain agreement with the State of California, Department of Transportation, with respect to the loading and the unloading of Municipal Railway patrons at the Transbay Transit Terminal, San Francisco; which agreement clarifies the obligations of City and State with regard to the responsibility for maintenance of the ramp area and the liability of each with respect to injuries or death of persons or damage to property occurring in said ramp area.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0287 M

Authorizing the General Manager of Public Utilities to seek approval from the Mayor and the Board of Supervisors to file an application with the Metropolitan Transportation Commission for a \$100,000 amendment of the Transportation Development Act (TDA) funds allocated to the Municipal Railway for 1977-78 for the purpose of preparing an Environmental Impact Report for a permanent Municipal Railway fare increase.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0288 GO

Commending Mr. George E. Baglin upon his retirement for his services as Utilities General Counsel.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

The minutes of the regular meeting of June 13, 1978, were approved.

At 2:40 p.m., Mayor George R. Moscone addressed the Commission.

He stated that everyone has been through several difficult weeks preparing for the worst, in short, the passage of Proposition 13, in San Francisco as well as statewide. Because of the shortage of time and the fact that administrators had no ability to be omniscient as to what the State Legislature would do, and what the future for San Francisco would be, it was nevertheless necessary "to do something".

Mayor Moscone said that neither he nor the PUC wanted to engage in a fare increase for the Municipal Railway by skirting the traditional public hearings. However, it became clear to the Board of Supervisors that steps should be taken assuming the worst, based on a process of good and prudent administration. This sometimes comes back as an embarrassment, the Mayor said, but he wants the Commission to know, as well as the Board of Supervisors, that there is not one thing he did in preparing in seriousness for Proposition 13 that he would not do again.

Like most public officials, the Mayor said, he would like to do the "nice thing which does not hurt people". But, too often one has to make some tough decisions. He said he mentioned the other day there would be full Muni service for the next fiscal year, but there is even better news to report today; that is, that promise can be kept even though this year there will be no fare increase as a result of the proclamation of emergency.

Mayor Moscone said it seemed very clear to him that if it turned out the only people who were going to pay additional charges during this difficult period would be riders of the public transit system, the charges of inequity would be well founded. Once the Board of Supervisors decided to defer actual collection of taxes which they prepared and put on the books--and further failed to even pass a parking garage tax increase to 25 percent--to allow Muni patrons to bear increased fares would be unconscionable. Once that action was taken by the Board of Supervisors last night, the Mayor said he asked if they would rescind the program wherein Muni fares were increased. Mayor Moscone said he tried to make clear to the Board of Supervisors last night, and would make clear to the Commission, as the Commission is charged with management of public transportation, that public hearings should be commenced as soon as possible.

He requested that staff check with Sacramento and find out what the future is for legislation initiated in each of the two houses of the Legislature which would eliminate the need for an environmental impact statement required under existing law when considering transit fare increases. If one house passed one bill and the other house passed an identical version of the same bill it is proper they will cross houses. There is no reason to believe the Governor will not affix his signature to those bills. The leaders of the Legislature have communicated their decision to pass one or both of those bills to the Governor's desk before they recess about July 15, 1978.

Notwithstanding presumed signature of both of those bills, it makes sense to conduct public hearings on the question of whether or not to institute fare increases, what they should be, and an eventual recommendation to the Board of Supervisors. The Mayor said it is not prudent to plan on any substantial amendment of AB 1107, with the possible exception of changing the service improvement conditions.

A 25¢ fare does not meet the requirements of AB 1107. The Commission's choice will be whether or not, in an effort to obtain Federal and State monies, it will be necessary to make an increase. This would be a reasoned choice made after public hearings, then by the Board of Supervisors, and eventually a signature by the Mayor.

In conclusion, Mayor Moscone said he had very little choice but to do some of the things that had to be done. He tried to keep in touch with members of the Commission, but exigencies of time made it difficult if not impossible to talk with the Commissioners at leisure. He said at the meeting of the Board of Supervisors on June 26, 1978, he had prepared two (2) rescissions of the declaration of emergency. One was to go back to 35¢ as a flat rate with 5¢ for seniors. The other was a deletion of any changes in a peremptory fashion. These were dependent on the activities of the Board of Supervisors. The Mayor said he did not know where the votes were until they were registered by the Clerk of the Board. He urged the Commission to conduct public hearings with or without the passage of measures in Sacramento dispensing with an EIR.

Commissioner Pilcher stated the Mayor's leadership has made San Francisco appear outstanding in the face of Jarvis-Gann as compared with other cities. She expressed the Commission's appreciation for the position the Mayor has taken, and its appreciation for his taking the time to explain it. She said the Commission is soliciting proposals from EIR consultants regardless of whether legislation eliminating EIR requirements passes. Following that, hearings will be held.

Mayor Moscone suggested that John B. Wentz, General Manager of Public Utilities, or McMorris M. Dow, Utilities General Counsel, be literally in daily contact with Mr. Edward Gerber, Legislative Advocate for San Francisco.

Mr. Wentz stated he spoke to Mr. Gerber at 1:30 p.m. this date regarding the future of AB 1107, which is moot at the moment but will become significant in the next year.

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz Water Consumption

Mr. Eugene J. Kelleher, Acting General Manager, Water Department, stated that consumption during the last two weeks is 26-28 percent down from 1976 usage. He said it appears that consumption will continue at about 25 percent down from 1976 usage.

Responding to a question from Commissioner McCrea, Mr. Kelleher stated that at this rate, it would be necessary to have a rate increase eventually.

Filoli Center

Commissioner John M. Sanger said the Commission had a communication from the Filoli Center regarding a transfer of property. He asked about the Water Department's position on the matter.

Mr. Kelleher explained that there is an area which was under lease where the Filoli Center has a Corporation Yard. The Filoli Center would negotiate about 235 acres of hillside land for that area. The Real Estate Department has evaluated both properties, and has indicated that the Center would have to pay the Water Department \$50,000, which they are unwilling to pay. Also, a horticultural foundation wants to move into a large area and purchase or exchange land. The Water Department has not agreed because of lack of control of pesticides. Water Department has told staff of the Saratoga Horticultural Foundation that any "half way" agreements would have to come before the Commission.

Commissioner McCrea commented that there is no open space zoning on any of the property, and no restriction on use of the land.

Commissioner Sanger replied that deed restriction could prevent it.

Responding to a question from Commissioner Sanger, Mr. Kelleher said that figures are from the Real Estate Department, and that an exchange of land would have to go to the Board of Supervisors.

Commissioner Sanger asked if there could be potential development, to which Mr. Kelleher answered "yes".

Commissioner McCrea said that in that event Filoli should go to the San Mateo County Planning Commission and ask them to reduce its value by down zoning the area.

Commissioner Sanger said it should be made clear to Filoli that San Francisco is not seeking money for this property, but would want to keep it in open space.

Mr. Kelleher commented that it has to stay in open space--that is why the Water Department is willing to obtain the hillside property.

Commissioner Sanger noted that open space zoning would reduce the Water Department's taxes.

Commissioner Pilcher said she would not favor lowering the value of Water Department property.

Mr. Kelleher said he would come back to the Commission as soon as some agreement is reached.

Commissioner H. Welton Flynn asked at what point the Commission would have a say on value, in view of the fact that the problem rests with the Real Estate Department.

Mr. Kelleher replied he did not think the Commission has a say on the value, which is a matter for the Director of Property.

Mr. Wentz stated there was no report from Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power.

Fare Increase

Mr. Curtis E. Green, General Manager, Municipal Railway, stated that preparations made for informing the public of the fare increase are now not effective. There was a good deal of staff time and effort put forth on such items as; interior car card, "take one" leaflets, newspaper advertisement, etc. He said, however, that the total experience will stand Muni in good stead if it becomes necessary to go this route again.

Mr. Green reported that one or two vendors sold fast passes for \$18. However, if someone who purchased one at that price comes back to the vendor he purchased it from, he can be identified by the serial number and a refund made..

Commissioner Sanger stated that Muni is due congratulations for the work done in preparation for Jarvis-Gann. He said San Francisco is ahead of Southern California, and Muni was far out in front of many other City Departments.

Mr. Green accepted the congratulations on behalf of his staff.

EIR for Fare Modification

On June 24, 1978, five (5) firms were interviewed who responded to the RFP regarding the EIR.

Muni Metro Center

Mr. Green reported that the contractor for the Muni Metro Center, Swinerton and Walberg, has filed suit against the SFMRIC for \$1,900,000.

Commissioner McCrea asked Mr. McMorris M. Dow, the basis for Swinerton and Walberg's suit.

Mr. Dow replied the basis of the suit is for misrepresentations and omissions in specifications on which they based their bid. The suit is also based on alleged delays caused by the City in approval of change orders, and delays caused by the nature of the change orders.

Commissioner Flynn asked if the change orders have to do with the work of International Engineers.

Mr. Bei replied affirmatively.

Commissioner H. Welton Flynn said he recalled the time when change orders constantly came to the Commission for International Engineers. He said he was a constant complainer about change orders, and that it was represented to the Commission that unless the change orders went forward there would be engineering problems. Now, a suit has been filed although the change orders were approved.

Commissioner McCrea said he assumed if errors and omissions in design are involved, that International Engineering would become a co-defendant, or SFMRIC could sue them.

Mr. Dow replied that would appear correct and the matter will be pursued.

Candlestick Park

Mr. Green stated that a year ago Muni was transporting 300 to 400 people to the ball park. Now the figure is 7,000 to 10,000 people, and it is expected to continue at the same level for the remainder of this season.

Commissioner Sanger asked how the baseball games are affecting motor coach service during the afternoon peak period.

Mr. Green replied Muni has not had any trouble to date, and that the large crowds are at night and on weekends, and Muni has been able to respond.

Commissioner Peter McCrea said the service is terrible on baseball nights, and that he had to wait 25 minutes to get a bus on Geary Street at 7:00 p.m.

Commissioner Sanger asked what type of decision making process is used to determine the amount of service deferred to the ball park.

Mr. Green said the decision is made in favor of the everyday passenger, and that it is not the policy of Muni to remove runs to take somebody to the ball park. However, if the game runs late the coach is already at the ball park. Instead of leaving the ball park to go a regular route it may be held one-half hour longer at the ball park.

Commissioner Sanger asked if the Giants could partially subsidize service.

Commissioner Pilcher added that Muni is subsidizing the Giants.

Mr. Green commented that Muni does not make money on runs to the ball park, even with the proposed 75 cent fare.

Commissioner Flynn directed that staff take the Giants' schedule and come back to the Commission with a projection of the cost and other problems.

Commissioner Sanger asked that staff evaluate the possibility of having discussions with the Giants management regarding financial support.

Vehicle Maintenance

Mr. George M. Duarte, Deputy General Manager, Engineering and Maintenance, presented an update on vehicle maintenance by means of a chart. He stated that the personnel situation has remained the same, except there are now more temporary employees than previously. He said this should change in the new fiscal year. Muni had a bad May for missed runs due to no equipment. However, the situation has improved in June. This morning there were serviceable streetcars left in the barn for the first time in two years.

Regarding miles per defect, in May defects were up and mileage down. June is better. Mr. Duarte said there are still wire problems on trolley coaches.

Responding to a question from Commissioner Pilcher, Mr. Duarte commented that last summer many employees changed assignments, and Muni lost technical knowledge in the trolley coach division. He asked for help in filling craft positions through Civil Service. The time lag is as much as six (6) months in filling some positions. He said 20 to 25 percent of the positions in electrical transit mechanics are missing which is worse than a year ago. There have been retirements, and people coming in have to be trained.

Commissioner Sanger suggested recruitment outside the area, or a joint effort with Hetch Hetchy.

Mr. Duarte stated that the City has been paying less than everyone else.

Commissioner McCrea moved that the Commission send a letter to the Civil Service Commission with a copy to the Mayor and the Board of Supervisors stating that the inability to fill positions is having a serious effect on Muni service put on the street.

Mr. Wentz commented that today he received a request from Mr. John Walsh's office for priorities of positions which need to be filled.

Commissioner Pilcher said this would be a separate letter.

Commissioner Sanger suggested that the letter should state there are more unfilled positions now than in the past. Mr. Duarte noted there were 28 on March 10, 1978, and there are now upwards of 40. He said there were 20 to 22 a year ago. He commented there were salary savings in crafts positions last year.

Commissioner Sanger seconded Commissioner McCrea's motion, which was unanimously passed by the Commission.

Mr. Duarte reported that daily road calls went up in May, but came down in June.

Procurement of 25 Diesel Coaches

Mr. Wentz reported that there have been difficulties with UMTA on specifications.

Commissioner Sanger said he has a problem with UMTA in that Muni is limited to one supplier. He inquired what staff is doing to deal with UMTA.

Mr. Duarte explained that Mr. Merrill R. Cohn, Transit Equipment Engineer, is in contact with UMTA. UMTA wants the specifications broadened so that GM can bid with their rear door lift. It is the intention to delay the bid process to allow flexible qualifications to be included. He said there is trouble in the entire bus industry, as only two (2) bidders are available--only one has the front door lift (flexible), UMTA wants competition and the handicapped do not want a rear door lift.

Mr. Wentz explained that Muni is under a mandate for a certain time period to equip a minimum of 25 buses with wheelchair lifts. Muni can retrofit.

Commissioner McCrea commented that the original intent was to obtain small buses.

Mr. Green explained that Muni staff was under intense pressure to show an act of faith to the elderly and handicapped. Muni was to move forward with an application to purchase 25 buses and integrate them in the system. Staff's recommendation was for a full length bus, as there had been a bad experience with a small bus in regular service.

Mr. Lyle Peterson, Coordinator of Elderly and Handicapped Programs, explained that the handicapped and elderly want the 25 buses. They also want the lift at the front door, as there is a problem of safety, and a person in the back of the bus can not relate to the driver.

Commissioner Pilcher recommended going for two (2) bids. If General Motors is the lowest bid, that invitation to bid could be cancelled. She said that if General Motors does not bid and Flexible bids alone it may cost more.

Commissioner Sanger commented that he is concerned that with UMTA paying 80 percent Muni is being tied into what one manufacturer in the world is willing to provide in a front door lift.

Mr. Peterson added that staff is processing a grant with CALTrans to examine four (4) specific lifts, which will be on Muni property for a period of time.

Legislative and Personnel Committee

Mr. Wentz reported that the Legislative and Personnel Committee will hold a special meeting at 2:00 p.m., June 30, 1978. Item 9 of the L&P calendar of June 29, 1978, will be heard as Item 3 on June 30, 1978. This item concerns the proposed transfer of Water Department and Hetch Hetchy to the jurisdiction of the Chief Administrative Officer. Proposed Charter Amendments; (1) establishing a Department of Transportation and creating a Transit Commission, and, (2) reorganizing the PUC and creating a Transportation Commission will be heard at the same time. Mr. Wentz stated that appropriate staff will be at that meeting.

Muni Budget Status

Mr. Wentz explained that Muni is essentially back to the budget approved several months ago before passage of Jarvis-Gann. Ad valorem funding has gone up, and fare revenue has gone down. AB 1107 funding is out, but Section 5 TDA money is back. Mr. Wentz said he would obtain copies of detailed budget sheets for the Commission as soon as they are provided. He said the budget for Muni now totals \$87,885,812.

Correction of Resolution No. 78-0244

Mr. Wentz explained that Reed J. Jordan, General Claims Agent, is requesting that a portion of Resolution 78-0244 adopted June 13, 1978, be corrected to reflect that deployment of monies between two appropriations has been changed. It is simply a bookkeeping change.

On motion of Commissioner McCrea, seconded by Commissioner Sanger, the Commission unanimously adopted a minute order to effect this correction.

Muni Cars No. 1 and No. 131

Mr. Wentz explained that it is Mr. Maurice Klebolt's desire that Car No. 1 remain in San Francisco. The California Railway Museum wishes it to be on loan as provided for in Resolution No. 75-0291. Mr. Wentz introduced Mr. William Kluver, President of the California Railway Museum.

Mr. Kluver stated that many years ago Car No. 1 was stored in the Geary Street car barn. It had been de-motorized. It was then moved to a pier. On Muni's 50th anniversary in 1962 the Museum was asked to help out with artifacts. Car No. 1 was rehabilitated and run on Market Street for 5 cents. The California Railway Museum helped with the artifacts. Mr. Kluver said he would like to see the car remain in San Francisco and be chartered, but Muni has been very reluctant to let the car out. It broke down on the anniversary of the Twin Peaks tunnel. The Museum has given Muni some parts to keep it running. Mr. Kluver said he would like to see the Museum maintain it and keep it. It would be open for the public and the Museum offers rides on cars.

Commissioner Pilcher asked if the Museum would be willing to leave the car here until the LRVs arrive.

Mr. Kluver replied affirmatively, but said it would not fit through the subway, and could not be operated West of Twin Peaks.

Commissioner Pilcher asked if the Museum would bring cars to San Francisco from time to time.

Mr. Kluver said the Museum would like to do this, perhaps to operate in a parade.

Mr. Kluver said the car will not be moved to the Museum for a year or two. The move will be made by a judgment of the Municipal Railway endorsed by the Commission.

Commissioner McCrea inquired about financial resources to take care of the cars.

Mr. Kluver stated that the Museum has been in operation since 1945. As different companies go out of business the Museum acquires spare parts, it supplies spare parts, has a vast shop and volunteer labor.

Mr. Maurice Klebolt stated that the request made to the Commission was on behalf of the Muni Boosters. Supervisor Molinari authorized the concept, and the plans are in Mr. Gilbert Boreman's office. He said no tax support will be needed.

Responding to a question from Commissioner Pilcher, he said that expertise will be provided from a public relations person. He said "funds will come as mana came to preserve fares", and that Muni has in its files the names of citizens willing to come forward and rebuild the cars.

Commissioner Sanger said any action by the Commission would be premature until a formal proposal is received from an organization such as Muni Boosters to loan them Car No. 1.

Mr. Klebolt stated that the museum group has been using the assets of the City and County of San Francisco to perpetuate its hobby. He said members of the Commission were guests of that group, as were members of the Muni staff. All of the material from the Elktion Shops was given to the Museum, he said. Mr. Klebolt commented that San Francisco is the only transit property in the United States that has its first vehicle. He said Car No. 131 ran on the

B-line and these cars are heritage.

Commissioner Flynn stated that an organization formed to retain these cars would have to have some formal structure such as a corporation or a partnership.

Mr. Klebolt said he would solicit funds to donate to the Municipal Railway.

Commissioner Flynn moved that the matter be tabled. Commissioner McCrea seconded the motion, which was unanimously passed by the Commission.

Commissioner Pilcher moved that the Municipal Railway come back to the Commission before any action is taken. Commissioner Flynn seconded the motion, which was unanimously passed by the Commission.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS Muni Tentative 5-Year Plan Implementation Schedule

Commissioner Pilcher referred to a memorandum from Peter Straus, a member of the planning staff at Muni. Commissioner Pilcher commented that staff recommendations for in-house review will be completed September 15, 1978; completion of the 5-year plan report and presentation to PUC is scheduled for October 15, 1978; PUC hearings will be held October 15 to November 15, 1978; and adoption of the plan by the Commission is scheduled for November 15, 1978. She said these dates may be delayed by a month or more.

Mr. Peter Straus explained there could be delays due to EIR requirements and possible staff changes.

Commissioner Sanger asked if staff is exploring the possibility of initiating an EIR in concert with preparation of the plan.

Mr. Straus said he believes it is necessary to have an EIR or a negative declaration before the document is completed and before hearings are held by the Commission.

Commissioner McCrea commented that Commission would have to be in a position to adopt a plan by early 1979 in order for recommendations to have any meaning in dealing with Jarvis-Gann.

Mr. Straus stated that the dates are approximate, as the schedule was put together very quickly.

Mr. Duarte stated an EIR is necessary prior to a decision.

Commissioner Sanger stated that if commencement of the public hearing process could be advanced the entire program could be accelerated, and this might be needed for the budget process.

Commissioner Pilcher stated she would prefer to have EIR input first. She directed that staff advise the Commission concerning the need for an EIR before the PUC meeting of July 11, 1978.

Special Meetings

Commissioner McCrea commented that the last two special meetings of the Commission were less than well organized. He said there are no rules as to what is germane from the public, and no time limits, and suggested that in the next month the Commission should adopt or amend the by-laws or rules to spell out what is suitable public comment.

Commissioner Pilcher asked if Commissioner McCrea would be willing to undertake preparation of a draft on the matter.

Commissioner of the General Land Office, Department of the Interior, Washington, D.C. 20540

Dear Sir: I am writing you in regard to the matter of the

land in the State of Texas, which is now being sold to the

public. I am writing you in regard to the matter of the

land in the State of Texas, which is now being sold to the

public. I am writing you in regard to the matter of the

land in the State of Texas, which is now being sold to the

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public. I am writing you in regard to the matter of the

land in the State of Texas, which is now being sold to the

public. I am writing you in regard to the matter of the

Very truly yours,

Commissioner of the General Land Office, Department of the Interior, Washington, D.C. 20540

Enclosed for you are two copies of the report of the

Commissioner Flynn stated that the Commission already has a set of rules, but has not been abiding by them. He said he would like to work with Commissioner McCrea to possibly modify the rules. He stated the chair exercises the right as to who speaks from the floor, and that tolerance is in the hands of the chairman who wields the gavel. He said the presiding officer has not always presided.

Mr. Fred Perry of CAPTrans asked that the draft include a provision that Commissioners should not interrupt speakers. He said the Commission might consider having standing committees.

Mr. Walter O'Donnell commented that a public hearing is different than public input.

Mr. Maurice Klebolt suggested that the article in the Chronicle was an indication that something went wrong at the meeting at the Hall of Flowers.

Commissioner Flynn stated that the Chronicle was off base, and that the meeting at the Hall of Flowers was a special meeting. The rules provide that a special meeting has time limits for speakers.

Mr. McMorris M. Dow, said that Commissioner Flynn was correct.

Commissioner Pilcher directed that this matter be placed on calendar when the Commission has something more definitive.

Resolution No. 78-0277--Approving Contract Change Agreement No. 22 in the debit amount of \$47,251 to provide for changes in the work, under SFMRIC Contract No. MR-609- Muni Metro Rail Center.

Resolution No. 78-0278--Approving Contract Change Agreement No. 23 in the debit amount of \$94,397 to provide for the addition of an LRV pass-over inspection pit on the service loop under SFMRIC Contract No. MR-609- Muni Metro Rail Center.

Commissioner McCrea questioned these two resolutions in view of the fact that the contractor is suing the City.

Mr. Rino Bei, Program Manager, Transit Improvement Program, explained that these items are to complete on going work. He said that contractor's contention is that through the course of the contract there have been delays, but his legal action right now is not specific.

Commissioner McCrea said it seemed that some of the items must be design deficiencies, and he asked how the Muni proposed to obtain redress from the designer.

Mr. Bei explained that the Department of Public Works had not decided how to handle traffic at the entrance to the Muni Metro Rail Center. They have now developed the design, and this is really a DPW change order to accommodate cars entering or leaving the Muni Metro Center. The other change order is for the grading plan for the entrance. This has been identified and sets the record in the event of litigation.

Responding to a question from Commissioner Flynn, Mr. Bei said the consultant was International Engineering.

Commissioner Flynn directed that the minutes show it was International Engineering who made the design error.

Mr. Bei stated that errors of omission insurance is always required to be carried by consultants.

Commissioner McCrea asked if International Engineering has any additional claims pending.

Mr. Bei replied that he did not know of any at the present time.

Commissioner Flynn asked what portion of the last change order was unfinished.

Mr. Bei said he will have this information for the Commission at the meeting of July 11, 1978.

Requesting the Mayor and the Board of Supervisors to join with the Public Utilities Commission in support of a Municipal Railway Advertising Shelter Program, and requesting that procedures be initiated for its implementation.

Mr. Green explained that Commission is being asked to secure support from the Mayor and the Board of Supervisors for the general concept of advertising shelters. The proposed resolution also requests the Mayor and the Board of Supervisors to sign appropriate legislation to amend the City Planning and Police Codes.

Mr. Rino Bei stated that in the course of development of a shelter program inquiries were received from various firms proposing to provide Muni shelters at no cost in exchange for advertising at one end of the shelters. Such a program has been implemented in several cities. New York City has about 500 advertising shelters in place already. The shelters have advertising at one end of the panel away from where the bus approaches. A number of firms are proposing to get into this business, and will erect shelters at no cost, maintain them, clean them, keep them lighted, and even offer to share in advertising revenues. Staff is not proposing any particular company for this program. Litter barrels can be added, and some are with telephones. If our currently installed shelters are not in a suitable location some firms have offered to move them to a new location of Muni's choice. Mr. Bei stated that the City Attorney's office has issued an opinion that the Commission can negotiate a contract for this purpose.

Commissioner Pilcher asked what would happen if the company were to go out of business in a year.

Mr. Bei replied necessary language would be in the contract to protect the City.

Commissioner Sanger commented that Commission is submitting proposed legislation in order to initiate the process. He asked what the next step would be.

Mr. Bei replied that an RFP would be issued, firms would be interviewed and rated, and a recommendation made. The Department of Public Works would have to issue encroachment permits as in the case of the present shelters.

Commissioner McCrea inquired about artistic control and advertising control.

Mr. Bei responded that this could be incorporated in the agreement.

Commissioner Flynn stated there is a contract in existence now with Metromedia.

Mr. Bei stated that Metromedia has a contract with Muni for transit vehicles.

Commissioner Flynn asked about advertising underground in the subway.

Mr. Bei explained that the Board of Supervisors has provided that BART will manage advertising in joint stations and Muni only stations. Advertising revenue on the Muni level will go to Muni. Advertising revenue in joint areas would be shared 50-50. Advertising revenue in Muni only stations would be all for Muni, less a 5 percent administrative handling charge by BART.

Responding to a question from Commissioner Flynn, Mr. Bei stated that present shelters were constructed under an UMTA grant.

Vice President Pilcher opened the meeting to the public.

Mr. Fred Methner, Secretary of East & West of Castro Street Improvement Club, Inc., spoke in opposition to any advertising on shelters, stating that people would place their own ads over ads of the contracting firm.

Mr. Klebolt asked if an attempt had been made by staff to contact Pacific Telephone to find out if they would be interested in a combined effort.

Commissioner Pilcher directed staff to explore this matter.

On motion of Commissioner Sanger, seconded by Commissioner McCrea, Resolution No. 78-0284 was passed by the Commission.

Resolution No. 78-0285--Commending Carl Payne, Pete Pavelukevich, and Michael McClure for their service and representation in the 1978 Cable Car Bell Ringing Contest.

Mr. Rod Bartholomew introduced Mr. Carl Payne and Mr. Michael McClure. He said Mr. Pete Pavelukevich was on vacation.

There was much clapping from the audience, and Commissioner Pilcher commended them for doing a fantastic job for the City, and thanked them.

Mr. Sam Walker of the TWU Local 250-A said he would also like to commend them, and that the union will present them with a token of appreciation.

ITEM NO. 12--Authorizing the execution of Amendment No. 1 to the Professional Services Agreement with Thomas T. Lunde, Inc., under which Lunde would provide consultant design services for improvement of the operating characteristics of the cable cars, subject to the concurrence of UMTA. (Urban Mass Transportation Administration)

This item was taken off calendar at the direction of Commissioner Pilcher.

ITEM NO. 14--Authorizing and directing the Municipal Railway to establish a new Line 70-Lake Merced to replace the existing Line 70-Lake Merced and Line 91-Stonestown; and requesting the Board of Supervisors, in accordance with Charter Section 3.595, to not disapprove the abandonment of service on existing lines 70-Lake Merced and 91-Stonestown.

Mr. Wentz stated that under the Mayor's Proclamation of Emergency this matter does not have to be sent to the Board of Supervisors. However, when the Proclamation is rescinded route changes must be adopted by the Board of Supervisors. Accordingly, a revised resolution has been prepared. This was distributed.

Mr. Peter Straus of the Muni Planning staff explained that the proposal began with a number of requests to investigate the possibility of providing service for residents of the John Muir Apartments and Lake Merced Hill to the BART Daly City station. He said 50 to 70 people attended an outreach meeting, and it was felt there was an opportunity to make a change in a short time in this area rather than wait until the 5-year plan evolves, and the implementation of the Muni Metro system. Also, hours of operation will be extended. The route would provide a connection between Stonestown, Park Merced and San Francisco State University with the BART Daly City station. Planning staff endeavored to develop a route consistent with the recommendations of the POM Study. The proposed line would not cost the City any more to operate than the present Lines 70 and 91. He explained that the route would begin at the Zoc, go around the shores of Lake Merced, and go across on Brotherhood Way to the Daly City BART station. It would return through Parkmerced, to Stonestown, go back to the BART Daly City station, and back around the shores of Lake Merced.

The reason for the circuitous routing is that Brotherhood Way has the character of a freeway. There are a number of houses of worship which can only be reached from the south side of Brotherhood Way.

Commissioner McCrea said he was concerned about the double loop going around the BART station.

Commissioner Pilcher asked if there is any trip a rider could take which would cause him to go through the loop twice.

Mr. Straus replied in the negative.

Mr. Green commented that there is an advantage in that Muni would be able to provide a service to people who do not presently have a service.

Commissioner McCrea asked if the City could install stop lights on Brotherhood Way.

Mr. Straus stated that there are no sidewalks on some of the streets.

Commissioner Pilcher opened the meeting to the public.

Mr. Sam Walker of TWU Local 250-A said the union has not seen the proposed plan.

Mr. Straus said the proposed plan was referred to the union on May 5, 1978.

Mr. William Ehrlich of the Lake Merced Hill development said there is a demand for service to the BART Daly City station--that the 17-Express Line goes only to Third and Market Streets, and BART is also much faster. He urged the Commission to approve the proposed route.

Mr. Walter Muhleman of the John Muir Apartments and the Lake Merced Neighborhood Association stated there are 1300 residents of the John Muir Apartments, many of whom would like to go to work by BART. He said his organization endorses the plan, and commented that the John Muir complex now has shuttle buses, but management wishes to discontinue them.

Mr. Straus stated that the present Line-70 carries under twelve (12) passengers per trip which increases somewhat during peak hours. Many persons using Line-91 are students at San Francisco State University who feel the proposed route would serve San Francisco State better.

Commissioner Sanger asked if the 17-Express could be consolidated with the present Line-70 and Line-91 to go to BART Daly City station.

Mr. Green replied that the 17-Express could not carry any more people.

Commissioner Flynn stated that many letters were received from people in the Parkmerced complex who want the option to use Muni rather than pay the extra fare for BART.

Commissioner Sanger stated he did not like taking up this proposal before implementation of the POM Study.

Mr. Klebolt pointed out that Muni has come forward without any statistics. Management of the John Muir complex is going to abandon the shuttle service. Since the people who will gain under Proposition 13 are the property owners, he suggested it would be a good time to abandon both lines.

Mr. Walter O'Donnell suggested holding this proposal back, and stated it would be necessary to have an EIR.

Mr. Straus commented that staff is not proposing to increase the number of buses nor the cost to the City.

Mr. Vernon Anderson, former General Manager of the Municipal Railway, stated he called attention to Line-70 in his letter to Commissioner Pilcher. He said there is some basis for a ~~question~~ as to how much service is warranted.

Commissioner McCrea moved that the item be put over.

Commissioner Pilcher added the item should be brought back with statistics on patronage, economics, and how other lines might serve the area.

Commissioner Sanger seconded the motion, which was unanimously passed by the Commission.

Resolution No. 78-0287--Authorizing the General Manager of Public Utilities to seek approval from the Mayor and the Board of Supervisors to file an application with the Metropolitan Transportation Commission for a \$100,000 amendment of the Transportation Development Act (TDA) funds allocated to the Municipal Railway for 1977-78 for the purpose of preparing an Environmental Impact Report for a permanent Municipal Railway fare modification.

Commissioner Pilcher pointed out that one of the options in the EIR is a no fare system. She stated she objects to the continued use of the word "increase".

Mr. Lynn Pio reported that staff advertised for proposals and set May 26, 1978, as a deadline. Five proposals were received and evaluated, and oral interviews will be held June 30, 1978. At the PUC meeting of July 11, 1978, staff intends to have a recommendation of a consultant.

1. The first thing I noticed when I stepped out of the plane was the cold air. It felt like a giant hand reaching out to grab me. I shivered and pulled my coat tighter around me. The ground below was a mix of snow and ice, and the trees were bare and skeletal. I took a deep breath and tried to ignore the discomfort. I was here for a purpose, and I had to focus on that.

2. As I walked through the snow, I noticed a few footprints in the distance. They were not mine, and I wondered who they belonged to. The silence was broken by the crunch of snow under my boots. I kept walking, my eyes scanning the horizon for any sign of life. The cold was starting to seep into my bones, and I wished for a warm blanket.

3. I reached a small clearing and stopped for a moment. The snow was deep here, and I had to be careful not to slip. I looked around and saw a few more footprints, but they were too far away to follow. I took a small step forward and then another, my heart pounding in my chest. The cold was becoming unbearable, and I needed to find shelter.

4. I found a small cave in the side of a hill. It was dark and damp, but it was a relief from the cold. I sat on the ground and tried to warm myself. The cave was small, but it was perfect for what I needed. I closed my eyes and tried to ignore the darkness. I was alone, but I was safe for now.

5. I stayed in the cave for a few hours, trying to keep myself warm. The cold was still there, but it was not as bad as it had been. I heard a small sound outside, but I did not move. I was too tired to go out. I closed my eyes and tried to sleep. The cave was dark, but I was finally getting some rest.

6. I woke up in the morning, feeling much better. The cold was still there, but it was not as bad as it had been. I looked out of the cave and saw a small stream of water flowing down the hill. I got up and walked towards it. The water was warm, and it was a relief. I drank some of the water and felt a little better.

7. I continued to walk through the snow, my boots crunching under my feet. The cold was still there, but it was not as bad as it had been. I saw a few more footprints in the distance, but they were too far away to follow. I kept walking, my heart pounding in my chest. The cold was becoming unbearable, and I needed to find shelter.

8. I found a small cave in the side of a hill. It was dark and damp, but it was a relief from the cold. I sat on the ground and tried to warm myself. The cave was small, but it was perfect for what I needed. I closed my eyes and tried to ignore the darkness. I was alone, but I was safe for now.

9. I stayed in the cave for a few hours, trying to keep myself warm. The cold was still there, but it was not as bad as it had been. I heard a small sound outside, but I did not move. I was too tired to go out. I closed my eyes and tried to sleep. The cave was dark, but I was finally getting some rest.

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Commissioner Sanger asked the earliest date an EIR could be completed, and Mr. Pio, Transit Environmental Coordinator, replied it would be the end of the year.

Mr. Wentz stated that it appears that one of the two bills making an EIR unnecessary will be passed by the State Legislature. He said staff is proceeding on the assumption that regardless of what the State Law will require, the Commission does wish to follow EIR procedure.

Commissioner Sanger commented that he strongly favors the EIR process, but in a form somewhat more limited than the conventional procedure. If legislation is passed, a study could be done which would more specifically deal only with critical issues.

Mr. Pio noted that all of the consultants have submitted proposals which can be modified to provide information essential for Muni's use.

Commissioner Sanger commented that there will be pressure to hold public hearings long before the end of the year in connection with the budget process. He said there should be something similar to an EIR on a fare increase, and the process should be accelerated.

Mr. Wentz stated that staff would negotiate with consultant and Selina Bendix, Officer of Environmental Review, Department of City Planning for a minimum package.

ITEM NO. 16--Presentation of the criteria governing the key elements of the design of the Forest Hill Station, to be used as the basis of consultant's assignment.

This item was put over to the meeting of July 11, 1978.

ITEM NO. 17--Presentation of specific recommendations for improvement of transit services and operational efficiency for consideration by the Public Utilities Commission.

This item was put over to the meeting of July 11, 1978.

ITEM NO. 18--Discussion of efforts by Municipal Railway to achieve administrative efficiencies.

This item was put over to the meeting of July 11, 1978.

Commissioner Pilcher directed that items 16,17 and 18 be listed first on the regular calendar of July 11, 1978, and that the Municipal Railway calendar be heard first at that meeting.

THEREUPON THE MEETING ADJOURNED: 5:45 P.M.

Romaine A. Smith
SECRETARY

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JUL 11 1978

M I N U T E S

DOCUMENTS DEPT
JUL 11 1978

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:35 P.M.

July 11, 1978

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Walton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

BUREAUS

Municipal Railway
Hetch Hetchy Project
Water Department

Accounts
Public Service
Personnel & Training
Safety
PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:35 p.m.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Welton Flynn, Peter McCrea, John M. Sanger

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO.

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0290 M Authorizing bid call for Contract No. MR-716 Turk Street Office Building, Alteration to offices. Estimated Cost of work: \$30,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0291 M Approving supplemental appropriation, amount \$2,971, to provide funds to reflect reclassification of Senior Clerk Typist by Civil Service Commission, in compliance with Charter Section 8.400.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0292 M Rescinding Resolution No. 78-0271 adopted June 20, 1978, which established the value of the token at 45¢, and determining that the value of the token sold by the Municipal Railway shall be fixed at 25¢ and that tokens be accepted in lieu of a 25¢ cash fare.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0293 M Rescinding Resolution No. 78-0270 adopted June 20, 1978, relating to student fares, and re-establishing former student fare rules and rates.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0294 M Approving travel expense voucher in the amount of \$1,080, covering expenses for Richard E. Rogers, incurred on his trip to Boston to attend propulsion section of Boeing training course conducted at Massachusetts Bay Transportation Authority.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0289 M

Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$4,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0295 HH

Approving the Redevelopment Agency proposal for relighting Whitney Young Circle from Station 9+88 to Cashmere Street.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0296 HH

Approving modification in the debit amount of \$21,424 to provide funds for additional work under HH Contract No. 532- N Line Streetcar Overhead System, Conversion for Pantograph Operation and Sunset Tunnel Electrification. (Power Improvement Program/Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0297 HH

Approving modification in the debit amount of \$11,054 to provide funds for additional work under HH Contract No. 550R, West Portal Substation, Install Equipment. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0298 HH

Accepting as satisfactorily completed work under HH Contract No. 521, Market Street Subway Electrification Embarcadero Station to Duboce Portal; approving credit modification of \$10,814.13; and authorizing final payment of \$120,114.22 to Amelco Electric, Contractor. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0299 W

Authorizing bid call for WD Contract No. 1740- Construction of Suburban Facilities-Millbrae, California. Estimated Cost: \$2,937,000.

Vote: Ayes-Henning, Pilcher; Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0300 M

Authorizing the execution of Amendment No. 1 to the Professional Services Agreement with Thomas T. Lunde, Inc., under which Lunde would provide consultant and design services for improvement of the operating characteristics of the cable cars, subject to the concurrence of UMTA. (Transit Improvement Program) Deferred from meeting of June 27, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
No-Sanger

On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

78-0301 M

Authorizing and directing the Municipal Railway to establish a new Line 70-Lake Merced to replace existing Line 70-Lake Merced and Line 91-Stonestown for a period not to exceed ten months unless approved as part of the POM route structure.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

78-0302 M

Approving the Transit Agreement proposed by the United States Postal Service for the period beginning July 1, 1978, to June 30, 1979, and authorizing the General Manager of the Municipal Railway to execute said agreement.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Flynn, seconded by McCrea, the following resolution was adopted:

78-0303 HH

Approving transfer of the sum of \$6,000 for emergency repairs to San Joaquin Pipelines Nos. 2 and 3, in accordance with the provisions of Section 6.30 of the Administrative Code.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0304 HH

Approving and authorizing the General Manager of Public Utilities to execute the June 29, 1978 letter-agreement with the Pacific Gas and Electric Company setting forth the revised Facility Charges as a result of updating the costs related to the net investment of Direct Facilities provided by Company as of December 31, 1977.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Pilcher, seconded by Sanger, the following resolution was adopted:

78-0305 W

Authorizing the City Attorney to stipulate to a judgment of condemnation to be entered in Superior Court Action No. 122463, as filed by the Pacific Telephone & Telegraph Company against the City & County of San Francisco.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

Approving transfer of \$900,000 from passenger damage claims to maintain for 90 days the same wages and benefits for platform employees in effect as of June 30, 1978; and the processing of a supplemental appropriation to cover the balance.

Vote: Ayes-Pilcher, McCrea, Sanger; no-Henning, Flynn

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

The minutes of the special meeting of June 13, 1978 and June 20, 1978 were approved.

Mr. John B. Wentz introduced Mr. Farrell Schell, Program Director, Light Rail Vehicle Task Force, stating that he is delighted to have him on board.

President Henning welcomed Mr. Schell.

Resolution No. 78-0306--Approving transfer of \$900,000 from passenger damage claims to maintain for 90 days the same wages and benefits for platform employees in effect as of June 30, 1978; and stating the Commission's intention to process a supplemental appropriation to cover the balance and recover the \$900,000 transferred.

This item was taken out of order.

Mr. Wentz explained that the interpretation given to the proclamation of emergency is that present wages, conditions and fringe benefits will continue, and will not be subject to negotiation as they normally are in August. Money for these wages and benefits is normally added by a supplemental appropriation after negotiations and after the budget is adopted. Neither the Mayor nor the Controller would approve a supplemental appropriation at this time and funding of a supplemental appropriation is a problem until final readings are received from the State. The Mayor's Office, he said, will make supplemental funds available later in the year.

Commissioner McCrea commented that Mr. Wentz had made contradictory statements--there is no money available to approve a supplemental appropriation now and no assurance that there will be money later on, but money can be taken out of other places.

Mr. Rudolf Nothenberg of the Mayor's Office, explained that when the declaration of emergency was issued, there was no question about continuance of the current employee compensation levels.

Commissioner McCrea inquired as to why money was not included in the budget; and Mr. Nothenberg replied, that the budget was approved two months before the proclamation of emergency.

Commissioner Pilcher asked where the money would come from; and Mr. Nothenberg explained that in previous years it was taken out of the budget and put back in after the tax appropriation was adopted.

Commissioner McCrea noted that adjustments were made to the budget after enactment of the emergency proclamation.

Mr. Nothenberg said the adjustments were not over and above the budget approved by the Board of Supervisors. It can not be increased once it is adopted by the Board of Supervisors. He said the situation is essentially no different than it has been in the past in that the cost of living money and the trust fund is not in the budget, but comes into the budget at a later time. The proposed resolution would insure no interruption in the level of compensation while the paper work takes place, which can not happen until August or September. Unless some formal transfer of funds occurs there is a danger that employees are going to be adversely affected.

Commissioner Pilcher commented it is the Commission's concern that there is no assurance the Board of Supervisors will fund a supplemental appropriation later on.

Mr. Nothenberg stated there is the same assurance as in any other year. He commented that should there be no action by the Commission, there is lack of assurance that employees will not be victimized by a bureaucratic snarl.

Mr. Wentz commented that it will have to be explained to the Board of Supervisors that this is replacement money for money made available for wage and trust fund matters.

Commissioner McCrea asked why it is necessary to appropriate money for the entire year if the Commission is going to the Board of Supervisors in August or September.

Mr. Nothenberg explained that it will take at least three months to process a supplemental appropriation. There is a problem with the Controller being able to certify the full amount of the cost of living and trust fund package for the ensuing year. He said, however, that it is a purely legalistic concern. If there is assurance by the Commission, the Mayor's Office, the Civil Service Commission and the Controller that compensation being paid at the end of the fiscal year will continue, it will "work itself out".

Commissioner Pilcher stated it is the Commission's intent that employees be paid. She noted that Mr. Nothenberg did not mention the Board of Supervisors. The Commission has no assurance of getting the money back, as this is a "whole new ball game", and the ad valorem rate can not be raised later.

Mr. Nothenberg commented that there might be additional resources available to Muni.

Commissioner McCrea commented that staff is basically asking that service be degraded to compensate drivers at this point.

Commissioner Flynn commented that the \$1 million from the claims appropriation set aside may result in some payment of interest to claimants. He said it has nothing to do with service on the streets. The question really is whether or not the Commission sees fit to "hold the drivers hostage". He said he is not concerned with what the Board of Supervisors may eventually do, but he is concerned that the operators will have to accept a reduction in pay if the Commission does not pass the proposed legislation.

Commissioner Pilcher asked if the Fire and Police Departments have the same problem.

Mr. Nothenberg replied, that these departments do not have the same cost of living and trust fund arrangement. He stated that had everyone had time to think through every detail of the proclamation of emergency and the budget, and had it been possible to put that money in the budget even after June 6, 1978, that would have been done, and it would have been far neater.

Commissioner Sanger commented that in past years the money has only been available on the tax rate, which normally is set in August. He asked when actual payments are made which effect the enactment of that tax rate in normal times.

Mr. Nothenberg stated that the Controller may continue, due to the obligation of the Board of Supervisors, to fund its (MOUs)- Memorandum Of Understandings.

Commissioner Sanger said he failed to see why any action by the PUC is required.

Mr. Nothenberg explained it is necessary because the Controller needs to have the line items in the budget which would allow him to make those payments--he must have a transfer.

Mr. Green explained that the law provides that monies being paid now continue past negotiations. Whatever is negotiated is paid back retroactively to July 1, 1978.

Commissioner McCrea introduced the concept of funding for three months, stating that it is inconceivable that the Board of Supervisors would not fund damage claims. He said he could see releasing that \$1-1/2 million. He also stated that would fund the trust fund for three months. He asked if the Controller would accept his proposal.

Mr. Nothenberg said if the Commission decides to proceed in this manner, perhaps a policy statement should be forwarded stating that it is the Commission's intention to see that funds for continuance of benefits are available for the remainder of the fiscal year.

Commissioner McCrea said it is the intention of the Commission to process a supplemental appropriation.

Commissioner Henning noted that \$900,000 would meet immediate needs.

Mr. Lawrence B. Martin, President, TWU Local-250A, said he objected and would like the Commission to give the operators the money needed, and which they deserve. The operators should not be used as pawns, as they did not make the mistake.

Commissioner McCrea commented that it is still necessary to require an act of the Board of Supervisors to put the money forward.

Mr. Martin stated that if \$3-1/2 million is needed, it might as well be transferred.

Commissioner Flynn stated he did not believe it is a fair way to play ball--there is nothing in the proposed transfer of line items which would be detrimental. Something could be done to the morale of the drivers, as there is no other Department in the City whose wages are being tampered with. He said it is merely moving money from one pocket to the other, and that perhaps money would be available without a supplemental appropriation. He called on the Commission to "stand up" and pass the proposed legislation in its present form.

Commissioner Pilcher commented that craft salaries involve Muni employees also.

Mr. Green explained that Muni budgeted funds for the start up of the LRV, and that 80 percent of various items in that budget will come from Federal sources, which will free up about \$900,000.

Dr. John M. Christensen, Jr., Assistant General Manager, Finance, said he would estimate it would be at least three months before that will be known. Staff is in the process of preparing a program for submittal, which probably will be submitted to Washington in two months.

Commissioner McCrea commented that three months from now a line item transfer of that money could be made.

Commissioner Sanger stated that if the Board of Supervisors does not come through with funds in the future, the Commission has the ability to insure what was promised to the operators. Since the Commission is being asked to make a policy judgment--really a re-budgeting of items which should be handled by the Board of Supervisors, he stated he sees no reason why there should be any problem

in deferring the ultimate decision. Platform operators can be taken care of, and Commission can still pursue a proper approach.

Mr. Martin commented that operators have a lot of pressure now, and this procedure would add pressure. He said the largest minority group in San Francisco will end up getting cheated.

Mr. Nothenberg returned and stated that he had been informed by the Controller's staff that the Controller had some questions.

Mr. McMorris M. Dow, Utilities General Counsel, commented that the Controller will not transfer funds unless funds are available.

Commissioner Pilcher commented that Commission is asked to make a decision on an item which has just been received.

Mr. Wentz noted that the letter was received July 7, 1978.

Commissioner Pilcher commented that it happens time and time again that Commission is asked to make a major decision with very little time or information.

President Henning requested, that the Controller be asked to come to the meeting to clarify the issues and while waiting that the General Manager of Public Utilities give his report.

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz

Mr. Wentz called on Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power.

Hetch Hetchy Reservoir

Mr. Moore reported that as of this week Hetch Hetchy Reservoir will fill to the brim for the first time in three years, and that the gates are up.

Water Consumption

Mr. Eugene J. Kelleher, Acting General Manager, and Chief Engineer, San Francisco Water Department, passed out copies of water consumption figures to the Commission. He commented that consumption during June was 27 percent down from the 1976 usage. During the past week consumption was 26 percent down from the 1976 usage.

Commissioner McCrea asked at what point staff is going to review its budget against these numbers.

Mr. Kelleher said this would be done as soon as staff has the figures for the unappropriated balance as of the end of June, 1978.

Balboa Reservoir Parking

Mr. Kelleher reported receipt of a letter from the San Francisco Community College District on July 7, 1978, rescinding the District's agreement to fund part of the roof for Balboa Reservoir for auto parking because of the passage of Proposition 13. He said staff will have a report with recommendations for the Commission meeting of July 25, 1978.

Demonstration by Elderly and Handicapped

Mr. Curtis E. Green, General Manager, Municipal Railway, reported that on July 12, 1978, at noon the elderly and handicapped community will stage a 2-hour demonstration at Justin Hermann Plaza, which is where Mission and Market Street trolley coaches turn around. A similar demonstration was held in Denver. The demonstration is against Federal legislation proposed to set aside UMTA regulation 504. Muni will have inspectors and a tow truck at the scene, and

Muni security police have been advised. It is proposed to turn electric trolleys around at Market and 4th Streets, and at Mission and 4th Streets, and use motorized equipment on the No. 14 line.

Commissioner McCrea noted this is not a dispute with Muni, but with UMTA.

Mr. Green stated that Mr. Lyle Peterson will take a trip to Washington regarding UMTA 504 regulation to find out what is being proposed.

Commissioner McCrea commented that the Board of Control is concerned that hearings on 504 revisions are only going to be held in Washington, D.C. He said Mr. Peterson has written a letter to UMTA expressing this concern. He moved that the Commission write a letter to UMTA urging a hearing in San Francisco. Commissioner Pilcher seconded the motion, and it was adopted unanimously.

Mr. Green added that in September the Department of Transportation will finalize 504 regulations, and all systems in the country are invited to make their positions known. Muni staff will forward recommendations to the Commission.

Canon Kip

Mr. Green reported that the Canon Kip organization has a program whereby it takes people to hospitals, stores, etc. The organization has requested that Muni come to its assistance, and is interested in TDA funds. A report to the Commission will be forthcoming on this matter.

Assault on Woman Driver

Mr. Green reported that on July 8, 1978, at 2:30 a.m., a woman operator was assaulted by three passengers who were intoxicated. After asking them to turn off their transistor radios they hit her about the face and head. Her injuries are minor, but since there have been a number of these assaults, Mr. Green suggested that a letter be written to the District Attorney expressing the Commission's concern, and asking that persons committing these types of crimes be prosecuted to the fullest extent.

Commissioner Pilcher moved that such a letter be written. Commissioner Sanger seconded, and the Commission adopted the motion unanimously.

Disruption in Cable Car Service

On July 8, 1978, cable car service was interrupted from 5:38 a.m. to 9:00 p.m. in order that a cable could be changed. Normally this would have been accomplished during "down hours", and buses would replace cable cars on all lines. However, the rewinding machinery was down. This made it necessary to run the line out in the street, which was done on a weekend for safety reasons.

California Street Cable Car

Mr. Green reported that on an earlier occasion California Street cable car service was disrupted. Three large bearings costing \$1,400 each were stolen. The missing bearings were traced to a contractor building a fence. The District Attorney's Office has been notified so that Muni may prosecute and obtain restitution.

Municipal Railway Roadco

On July 15, 1978, Muni will hold its annual safety Roadco at the Cow Place from 8:00 a.m. to 4:00 p.m. This is a safety test and there will be 60 participants.

Painting of Coaches and Streetcars

Miracle Auto Painting Company has painted a total of 130 diesel coaches to date. Under the Title II Program twelve (12) streetcars have been painted. It is expected that all buses will be painted by March, 1979.

Missed Runs

Muni has had the best period in four (4) months on diesel coaches, and the best period in two months on streetcars, Mr. Green reported. The Mayor's Office has released 60 operator requisitions. However, only 15 operators can be trained in each class.

Bus Shelters

Mr. Green reported that a shelter at Geary and St. Joseph Streets was "totalled" by an automobile. This same shelter had been torn down by vandals a month or two earlier. Muni staff will be working to replace it.

Giants Baseball Team

Mr. Wentz reported that Mr. Peter Gallagher of the Giants telephoned him as a result of newspaper publicity. On July 7, 1978, staff met with Mr. Stoney Feeney, Jr., Assistant General Manager of the Giants. It was agreed that Muni's additional baseball costs for this year of \$50,000 will be documented and backed up with a letter. There is no way that the schedules can be changed for the games set for this season, but scheduling for the Giants is still flexible for next year.

Legislative and Personnel Committee

A meeting of the L&P Committee of the Board of Supervisors will be held July 12, 1978, at 2:00 p.m. To date the Committee has reviewed the Mayor's draft of proposed Charter Amendments to establish a Transportation Commission, and it appears that Committee members favor the Mayor's proposal.

Market Street Tunnel

Staff will meet with BART officials on July 14, 1978, to formulate agreement on work to be performed by BART for Muni in the Market Street tunnel.

President Henning directed that discussion be resumed on Resolution No. 78-0306.

Dr. Christensen reported that Mr. John C. Farrell, Controller, concurred with the original proposal submitted to the Commission, and if the Commission desires to change it he will have to reconsider it in the form in which it is presented.

President Henning stated that the City is mandated to maintain wages and benefits. He asked if the Board of Supervisors would object to transferring of funds for the first three (3) months, and submitting a supplemental appropriation for recovery and the balance at the end of three months.

Mr. Dow stated that the proclamation of emergency itself does not grant the Commission a supplemental appropriation. The Board of Supervisors is bound only in the sense of a moral obligation. There is no legal promise that Commission will get the funds back.

Commissioner Pilcher commented that the worst that could happen is that the Board of Supervisors would turn down the supplemental appropriation. If that should happen, line items can be transferred within the Muni budget.

Commissioner Flynn stated it is not the Controller's problem--it is the Commission's problem, and the Commission has the express right to move line items.

Dr. Christensen noted that the Charter places the responsibility upon the Commission to determine when there is a surplus. The Commission may recommend it be transferred to another line item with the approval of the Controller.

Commissioner Flynn said Muni should live within the budget it has. He said there is an item on the agenda asking Muni staff to show the public how it can adjust its budget to achieve efficiencies, and it is ridiculous to think about a supplemental appropriation at any time in the face of Jarvis-Gann.

Commissioner Sanger asked about sources of potential transfer, and what would be deferred from Building, Structures and Improvements in the amount of \$400,000.

Mr. Green replied that items deferred would be improvements around facilities which have been deferred from two decades. Also, to be deferred would be toilets and gilly room improvements, as well as OSHA types of improvements around gas pumps.

Commissioner Flynn asked what was most important, and Mr. Green replied, "paying the drivers".

Commissioner McCrea made a motion to transfer \$900,000 from passenger damage claims to maintain for 90-days the same wages and benefits for platform employees in effect as of June 30, 1978; and stated an intention to process a supplemental appropriation to cover the entire amount.

Commissioner Pilcher seconded the motion. She commented that it is her inclination to place the burden for funding on the Board of Supervisors, and it is her personal commitment that in no way will the drivers be made to suffer.

On roll call Commissioners McCrea, Pilcher and Sanger voted "aye"; Commissioners Henning and Flynn voted "no".

Regarding items for bid call on the consent calendar, Commissioner Sanger questioned the wording in resolutions which states..... "Commission approves the plans and specifications.....". He suggested the language be changed to read, "In accordance with recommendation of staff this Commission approves the plans and specifications....."

Commissioner Pilcher made a motion to this effect, which was seconded by Commissioner Flynn and unanimously approved by the Commission.

ITEM NO. 8--Presentation of the criteria governing the key elements of the design of the Forest Hill Station, to be used as the basis of consultant's assignment.

Mr. Wentz explained that the work on the entire project will take until March, 1979, but the report on saving the existing building will emerge in three (3) months.

Commissioner Pilcher said she understands there is some feeling among staff that the subway aspect is not really necessary.

Mr. Rino Bei, Program Director, Transit Improvement Program, explained that the Commission approved Alternative III a year ago, which would call for full separation of the bus level, the track level, and the mezzanine level. That was a concept developed to meet requirements of UMTA, and it was the recommendation of the architect. The Commission approved Alternative III in principle, and it was approved in principle by the Board of Supervisors.

However, Muni is not locked into the plan.

Consultant is to develop a station which will meet Muni's requirements now and into the future. In terms of vertical access he is to come up with a plan which best meets the needs. There is no mandate that a bus turn around must be included. The original analysis was a \$30,000 study on whether to utilize the existing station. The estimate at that time for Alternative III was about \$15-1/2 million. Alternative II was in the range of \$13 million. The net difference is the underground facility for the bus terminal and turn around and drop off for different points.

Mr. Wentz added that the difference of \$2.4 million would be made up by FAU funds.

Commissioner Sanger asked if Mr. Bei has a list of parties interested in Forest Hill Station, and if they are notified of meetings.

Mr. Bei replied that the Forest Hill Property Owners Association is notified of meetings on Forest Hill Station.

Commissioner Sanger said the Heritage group and any other interested groups should be notified.

Commissioner Sanger asked the meaning of through traffic corridor lanes.

Mr. James A. Walsten, Senior Architect, Municipal Railway-Transit Improvement Program, said it means through traffic, which is to be facilitated in its flow. He said the basic issue is that disruptions in traffic flow should not be greater than at present, and that there are twelve (12) possible layouts.

Commissioner Sanger asked if the staff is producing a basic design, and if specific goals are being defined.

Mr. Bei replied that when the report is submitted by the consultant it will be reviewed by staff. Staff will present the report to the Commission and make recommendations based on what the architect has developed.

Commissioner McCrea asked if every design must meet the criteria in the project report to the Commission.

Mr. Bei replied affirmatively, and added that one design may meet the criteria better than another.

Commissioner McCrea commented that the report indicates that during peak hours trains will run on 3-minute headways, but there is no indication as to the number of passengers getting off each train.

Mr. Walsten said there are projections. Commissioner McCrea noted that patronage projections seem very high.

Mr. Walsten explained they are the result of the POM Study as well as more recent traffic counts. He said it may well be that there is justification for widening platforms, and that another element is the number of egress points.

Mr. Bei noted that the patronage today at Forest Hill Station is about 4500 per day. The station being built will be used for the next 50 years. People do not use the station now because of its present arrangement.

Commissioner McCrea noted there would be 1920 passengers an hour at peak hours. One-hundred people would be getting off every train for three minutes.

Mr. Bei commented that there will also be buses arriving on the upper level at the same time. All of the people will not arrive by train. He said each car will carry 180 people.

Commissioner McCrea commented that getting a 4-car train every three minutes into Forest Hill Station is not possible, with 25 percent of the people getting off at Forest Hill Station.

President Henning said there are problems of credibility with the criteria, which will be returned to Muni.

Mr. Peter Bank of Esherick, Homsey, Dodge and Davis, stated that the criteria are not complete. The consultant will incorporate an independent patronage count with existing available data.

In the case of safety, Commissioner Sanger noted that instead of defining a goal, a decision has been made in advance. He said that decision should not have been made prior to studies by the architect. Concerning the matter of allowing light in, goals should be identified, and consultant should be allowed to explore the solution.

Mr. Bei commented that is what staff has tried to do.

Commissioner McCrea commented that the criteria of service disruption during the period of construction is missing.

Mr. Walsten stated this will be part of the consultant's responsibility. Mr. Bei commented that one concept is to build a shield over the station.

No action was taken by the Commission, as this was a presentation only.

ITEM NO. 9--Presentation of specific recommendations for improvement of transit services and operational efficiency for consideration by the PUC.

Commissioner Pilcher commented on the recommendation for peak hour auto free zones on Sutter, Post, Geary and O'Farrell Streets east of Powell Street. She said every street has a garage, and asked how those blocks could be auto free. She said even now it is impossible to get in or out of the garages during peak hours.

Mr. Carl Natvig of the Muni Planning staff stated these items will require more consideration and study, but implementation of an auto-free zone on Market Street east of Van Ness Avenue should be instituted.

Commissioner Pilcher asked if hearings have been considered, and if the merchants are aware of these recommendations.

Mr. Green said staff should have the thoughts of the Commission and will then come back with a proposed resolution.

Commissioner Pilcher asked how Muni can develop and implement staggered hours for the downtown area. She said staggered hours can only work in factories.

Mr. Green stated that the evening peak begins at 4:45 p.m. and is all over at 5:45 p.m. If a few of the downtown businesses were to use staggered hours Muni would be able to offer better service.

Commissioner Sanger asked how much can be accomplished without interfering with the POM Study.

Commissioner Henning directed staff to work out priorities, and to keep in mind that the POM Study takes precedence.

Commissioner McCrea said he would like to see some thought given as to how additional manpower could be made available from T.I.P or other programs to begin working on the items of highest priority. He said he would like to see the POM Study and the Market Street Study working concurrently.

Mr. Chandler of the Chamber of Commerce commented that the City Planning Department has been granted \$400,000 to perform two planning studies.

Mr. Natvig said that Muni staff is well aware of the transit preferential program and of the other study.

ITEM NO. 10--Discussion of efforts by Municipal Railway to achieve administrative efficiencies.

Commissioner Pilcher commented that in Mr. Green's letter he does not indicate a reduction in administrative staff positions.

Mr. Green stated that those administrative positions are in his view absolutely necessary.

Mr. Wentz explained that the letter lists areas staff is going to investigate. Staff will report back to Commission in several months with the results.

Commissioner Sanger asked which of the positions on page 2 are vacant.

Mr. Green stated that Grant & Fiscal Officer, Supervising Fiscal Officer, Deputy General Manager, Finance and Administration, and Director of Planning positions are vacant.

A newsman, Mr. Robert Bartlett of the San Francisco Chronicle, asked why the position of Public Relations Officer is necessary.

Mr. Green explained that Mr. Robert Rockwell, Public Relations Officer, receives 2,000 pieces of mail per month, runs a public information agency, is responsible for contact with the general public, and supervises the Telephone Information Bureau.

Responding to a question from Commissioner Sanger, Mr. Green said examinations will be held for the vacant positions. He added, there is a question between Civil Service and the Municipal Railway concerning criteria for examinations for the fiscal officer positions.

Mr. John Elberling, CAPTrans, stated that the recommendations on administrative efficiency are not adequate, and that "small potatoes" will be saved which should have been saved last year or earlier. He said there is no regular system for evaluating how well programs are working, how capital investment is working, and how well management personnel are working. He said the 711 General buses are costing a lot of money, and Muni should consider disposing of them. Concerning preventive maintenance, staff is "biting some hard bullets". He stated that management personnel is ingrown, and that many of them have a vested interest in past decisions. The same management people are never moved or demoted or held accountable, he said.

Resolution No. 78-0300--Authorizing the execution of Amendment No. 1 to the Professional Service Agreement with Thomas T. Lunde, Inc., under which Lunde would provide consultant and design services for improvement of the operating characteristics of the cable cars, subject to the concurrence of UMTA.

Mr. Wentz commented that Mr. Lunde has seen fit to do something for nothing. He added that the Cable Car Advisory Committee has given its blessing to the proposal, and staff remains committed that this amendment will improve the system.

Commissioner Sanger commented that it seems that whatever design changes are being made regarding brakes would only be useable in redesigned cable cars.

Mr. Bei said design changes would be used in the building of three new cable cars. He said replacement will be a gradual process, but there would be an eventual retrofit of the entire fleet. No two of the cars are identical, and they do not have interchangeability of parts.

Commissioner Sanger asked about doing away with track brakes.

Mr. Lunde explained there is no intention to eliminate track brakes. The track brake is an "emergency brake", but the ultimate emergency brake is the "slot brake". The track brake and the wheel brakes if used simultaneously cancel each other out to a degree. He said the hydraulic brake is almost 100 percent efficient, and requires very little displacement of hydraulic fluid. This efficiency is not present with the mechanical brakes now in use.

Commissioner Sanger asked about the necessity of redesigning the truck frame.

Mr. Lunde explained that presently the cable cars have axles, to which wheels are attached so that they turn at the same number of revolutions. He said that is not the best way, and it will be necessary to redesign the frames.

Mr. Bei commented that the Ames Study recommended improvements in the carriage.

Mr. Duarte said there are some standardizations that would make a tremendous difference in maintaining the cars. New drawings would provide trucks and parts for trucks that are newly built.

Resolution No. 78-0301--Authorizing and directing the Municipal Railway to establish a new Line 70-Lake Merced to replace existing Line 70-Lake Merced and Line 91-Stonestown for a period not to exceed ten months unless approved as part of the POM route structure.

Mr. Peter Straus of the Muni Planning staff summarized the route of the proposed new Line 70-Lake Merced, as was done at the Commission meeting of June 27, 1978. He stated that the present Line 91 averages approximately 31 people per trip, and the existing Line 70 carries 200 passengers per day. It is anticipated that the new line would carry all patrons using either line, and that it would attract passengers from the shuttle bus of the John Muir Development. Alternative routes were examined, but this proposal was the only one staff was able to come up with to provide service to the Zoo, John Muir Apartments, Lake Merced Hill, Park Merced, Daly City BART Station, and Stonestown, and operate within existing finances. It is anticipated it will cost \$4,000 less per year than the two existing lines, and it is consistent with the POM Study and the 5-year plan.

Commissioner Sanger moved to amend the proposed resolution to indicate the new Line 70 would be established as a temporary line. It would ultimately be resubmitted at the time of the submission of the POM recommendations, or it would expire within ten months.

Mr. Dow said the Commission may initiate the new route, but if it continues beyond one year, the Board of Supervisors' action is required for revision or abandonment.

Commissioner Pilcher seconded the motion.

ITEM NO. 13--Authorizing the staff of the Municipal Railway to negotiate a contract with Earth Metrics Inc., et al, for preparation of an EIR for alternate proposals for modification of the Municipal Railways' fare structure, not to exceed a cost of \$97,500; and in the event the State Legislature enacts legislation exempting transit fare modifications from the requirements of the CEQA authorizing staff to negotiate a contract with Earth Metrics, Inc., to prepare a report which would be similar in nature to an EIR.

Commissioner Pilcher stated that she objects to authorizing staff to negotiate a contract with Earth Metrics--that it should be brought back to the PUC.

Mr. Wentz explained that the Commission must authorize to negotiate a contract, which is then submitted to the Commission for approval. He said Governor Brown has signed legislation into law that exempts transit fare modifications from the requirements of the CEQA. He noted that at the Commission meeting of June 27, 1978, the Commission decided it wanted a complete study made even though a State law might be passed eliminating the necessity for an EIR. Staff was directed to map out the type of study necessary, but eliminating such things as air pollution and the effect on flora and fauna which would not be necessary.

Commissioner Pilcher insisted that she has asked that one of the alternatives to be considered is a "no fare" system. Every reference, nevertheless, deals with a "Muni fare increase", but "no fare" and "no increase" have to be considered.

Mr. Wentz commented that the proposal went out three months ago, but that from now on the term "modification" will be used.

Commissioner Sanger asked if there have been any objections from firms that bid.

Mr. Wentz replied that staff has not gone back to all of them.

Mr. Lynn Pio, Transit Environmental Coordinator, Municipal Railway, stated that of the five (5) consultants who responded, staff is recommending negotiation of a contract with Earth Metrics, Inc., and removing the requirement for an EIR as such. There will be further discussions as to what can be eliminated. The contract would include analysis of social and fiscal impacts and alternatives to the fare modification as such. He said one unknown is that no one can predict ad valorem funding a year from now.

The non-EIR approach has some time savings, and the office of Environmental Review would be involved in an advisory capacity. It would not be necessary to go to the City Planning Commission for approval. Also, with the new approach it may be possible to save from 5 to 15 percent of the cost of the proposal.

One other issue is the possible combining of the environmental document with the "Latent Demand Survey". The planning staff does have money and is working on an RFP for the Latent Demand Survey. Mr. Pio explained that the Latent Demand Survey involves people who do not now use Muni, and how they might be encourage to use it.

Commissioner McCrea commented that in reading the RFP he noticed an overriding obsession with the fact that the reason for a fare modification would be to secure AB 1107 funds. He asked if any attempt is going to be made to evaluate the purpose for which AB 1107 funds would be used.

Mr. Wentz stated that staff has an analysis under way independent of the proposed study, but which can be meshed. He said Dr. Christensen is working with Muni staff and MTC staff on a list of items which might qualify as service improvements. The experience of MTC in judging these is negligible. He noted that under the law as now drafted Muni could qualify for only \$2 million. The matter will be discussed with CAPOTS regarding amending the legislation.

Commissioner Sanger commented that in evaluating whether or not Muni should be proposing any fare increase a critical issue is whether it is worth while trying to qualify for AB 1107 funds. He said he is also disturbed at some of the procedures, and that staff should begin all over. He asked how many on the list of 29 are represented in various joint ventures in the five (5) proposals received.

Mr. Pio replied, that all of the principals are represented, but most of the others are not.

Commissioner Sanger stated that one of the major inputs required from the study is a financial analysis and a transportation analysis which offers all options available to maintain service. He said the entire RFP was directed in a manner which elicited responses of certain types of consultants, who are experienced in performing EIRs. He said he finds it unusual to see "forced marriages" among consultants and that this sometimes leads to trouble. If the scope of services is going to be changed from that advertised there may be protests. He said he would like information analysis and would like to revise the scope of work and request new sub-missions.

Mr. Pio stated that the RFP obviously was directed at an EIR report on the impacts of fare increases.

Commissioner Sanger commented that if this amount of money is to be spent, more information can be obtained, or less money can be spent.

Mr. Wentz said timing is of concern. Now the ground rules have been changed, but staff believes the firm selected is competent. He asked, "How much of an indignity is it to ask these firms to spend more money on a new proposal?"

Commissioner McCrea said he was disturbed that the firms who responded are EIR preparers, and Muni is no longer in the business of obtaining an EIR.

Commissioner Pilcher said she is not concerned about the 90 days extra time.

Mr. Green commented that the legislation allowing for fare modifications without an EIR has a deadline of August, 1979.

Commissioner Sanger noted that there might be a shorter study.

Ms. Paula Lunn of the San Francisco Muni Coalition said a 33 percent fare box revenue requirement should not be accepted, since it is no longer an EIR for a fare increase. She said service efficiency could be improved and ridership increased. Also, this contract should be taken into account with the POM Study. She said she would like to see cooperation with community groups.

Mr. Norman Rolfe of San Francisco Tomorrow urged that Commission not have an ordinary type of EIR done. He said a broad range of community costs should be analyzed.

Mr. Michael Hogan of Earth Metrics, Inc., said his firm spent most of its effort in writing a proposal not on any type of fare increase, but in looking at alternatives such as an analysis of "no fare" proposals and emphasis on increased operations, with options to attract new Muni patrons. He stated that a broad basis of the firm's work is in transportation and socio-economic studies. He said that under the revised guidelines the State allows more focusing of EIRs. He said the firm's response is not presented as a classical EIR, but that 85 percent of the items are directed at the essence of the items which should be studied.

Mr. Dennis Hyde, private citizen, questioned having a study on fare modification to consider the possibility of a fare increase this fiscal year, and then a survey to see about increasing patronage.

Commissioner McCrea moved that this item be sent back to staff and that a new RFP be drafted to meet the new criteria.

Commissioner Pilcher seconded the motion, which was unanimously adopted by the Commission.

ITEM NO. 15--Discussion of a report on the new disciplinary procedures; Analysis and Recommendations.

Commissioner Sanger asked if there is any way of controlling the number of reports of problems that patrons have inasmuch as Muni is taking fewer telephone calls.

Commissioner McCrea added there is the factor of reluctance to call and complain which may be distorting statistics. By posting in the vehicles, the operator's number and the number of Muni, complaint statistics may increase.

Mr. Rod Bartholomew pointed out this would generate complaints and commendations alike.

Mr. Bill Henderson special consultant, stated that other criteria are also used such as inspectors' reports on miss-outs.

President Henning commented that by the close of the calendar year staff should be in a position to make a final recommendation.

Mr. Sam Walker of TWU, Local 250A stated the union does not want a sign up which says, "Call in and complain on the operator".

Mr. John Elberling of CAPTrans stated that the statistics in the report do not help much, and that the experiment should be continued well past the point of operator identifications.

Mr. Bartholomew noted that staff is about six (6) weeks away from getting identification plaques installed.

Commissioner Pilcher noted that miss-outs are up.

Mr. Henderson commented that even though miss-outs are up, suspensions are so far down that Muni is saving manhours.

Mr. Walker noted that previously there were equipment problems, and now there are problems of personnel. He said it is difficult to obtain an evaluation as there is a lot of overtime. Operators are over worked, he said.

President Henning directed staff to come back at the end of December, 1978, with a final recommendation.

Commissioner Pilcher made a motion to this effect, which was seconded by Commissioner Flynn and passed by the Commission.

ITEM NO. 16--Conditionally accepting the first LRV to be delivered in August, 1978; authorizing Louis T. Klauder & Associates to list all known exceptions to the specifications in their acceptance of this vehicle at the Boeing Vertol plant; and approving the submission of a letter to the Boeing Vertol Corporation stating the policy of this Commission toward acceptance of this vehicle, correction of deficiencies, and reservations on all future deliveries.

President Henning asked Mr. McMorris M. Dow if he drafted the letter for him to sign.

Mr. Dow replied that he did see it.

President Henning stated that the letter does not seem to protect the Commission enough.

Mr. Wentz stated that it became apparent that in order to move forward at all it would be necessary to do so on a basis of conditional acceptance. The staff and engineering representatives and MBTA staff felt there were advantages in accepting the first car to test the signal system, and to test the car as retrofitted in the San Francisco environment.

Commissioner McCrea stated that the BSF Committee has submitted a list of 400 items to Boeing Vertol, and many have been rectified. Recently a list of 12 absolutely non-negotiable items were submitted which Boeing Vertol had to rectify. Of those 12 essential operational items Boeing Vertol, by lack of response, has refused to accept responsibility for 4. One of the items is the doors, which probably will have to be worked out in usage. Three of the items are so essential to the viability of the cars that before taking even one car, it is necessary to obtain some commitment from Boeing Vertol that they are willing to do something.

Commissioner McCrea added that the operative part of the letter is the sentence which says, "Prudence requires that we be assured in writing prior to shipment--that tests and corrections are being made on the cars to resolve our reservations and to find solutions to the open engineering items and that BV accepts its responsibilities to provide a vehicle that meets specifications in each one of those open items". He stated that the letter should be more specific.

President Henning said he would like to see that done before he sends any letter.

Mr. Dow stated that he went over the resolution to take out any premature acceptances. He added, that the Commission should go into executive session for any more legal advice.

President Henning suggested that an executive session be held July 13, 1978, at 4:00 p.m., and a special meeting at 5:00 p.m., July 13, 1978, regarding the arrival of the first LRV and drafting a letter to Boeing Vertol.

Commissioner Sanger moved, seconded by Commissioner Pilcher, and the motion was passed by the Commission.

Mr. John Elberling stated that at the LRV Advisory Board of Control meeting the individual from the MBTA Commission said their vehicles are prototypes, and that essentially San Francisco is in the same position. He said there could be a loss to the City, and that staff is determined to push ahead with the car at almost all costs. He said the question is if the Commission really wants to go ahead with the car. Staff could prepare alternatives for "bailing out". He suggested that UMTA may now be prepared to put up more money. Supervisor John L. Molinari has asked for hearings at the Board of Supervisors on the entire LRV project. The "bail out" alternatives could be placed on the table for the Board of Supervisors at that time.

Commissioner Sanger stated he would like in time for the special meeting at least an outline of the legal and non-legal alternatives available, specifically with respect to termination of the contract, and rejection of every car sent which fails to meet the specifications. He said the Commission could use more information about the range of options available, and that an oral presentation would be satisfactory.

THEREUPON THE MEETING ADJOURNED: 6:30 P.M.

Romaine A. Smith
Secretary

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

SPECIAL MEETING

Room 2B, City Hall

5:00 P.M.

July 13, 1978

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 5:10 p.m.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners; H. Welton Flynn, Peter McCrea, John M. Sanger

RESOLUTION
NO.

On motion of Pilcher, seconded by Sanger,
the following resolution was adopted:

78-0307 M

Approving the submission of a letter to the Boeing Vertol Corporation stating the policy of the Commission toward the first Light Rail Vehicle to be delivered in August 1978, correction of deficiencies, and reservations on all future deliveries.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea
Sanger

Mr. John B. Wentz, General Manager of Public Utilities, said the subject before the Commission is the modification, disapproval or approval of a draft letter to Boeing Vertol (BV) which has been prepared by legal and administrative staff, citing conditions under which San Francisco would authorize shipment of the first Light Rail Vehicle. The draft letter makes it clear that San Francisco will not permit Louis T. Klauder and Associates to proceed with inspection of that LRV until an acceptable response to the letter is received from BV.

Attached to the draft letter is a list of 50 open engineering problems which have not been totally resolved. Originally, there were 400 or 500 open engineering problems. Two-thirds of the 50 problems are in the process of being resolved. Twelve (12) are reviewed by the Board of Control two weeks ago, and progress is being made on some of these.

Staff has listed the 50 problems on the theory that it would be proper to have Boeing Vertol state in writing where it stands on each item. If the return letter from BV is acceptable to the Commission, Louis T. Klauder & Associates will continue with inspection of the vehicle in Philadelphia to determine if it is manufactured according to the terms of the contract. If so, the vehicle will be shipped.

Acceptance depends on a 30-days testing procedure in San Francisco. The draft letter does not indicate acceptance of the vehicle. The balance of the LRVs will not be shipped until approximately three months after the first one is shipped.

Following discussion between the Commission, legal and administrative staff, and modification of the draft by the Commission, the attached letter, together with a list of customer open items, was authorized for mailing. Copies of the letter and attachment are to be sent to the following:

Mayor George R. Moscone; Supervisor Dianne Feinstein; Robert Kiley, Chairman, MBTA; Richard Page, Administrator, UMTA; George Agnost, City Attorney, San Francisco; Warren Higgins, Chairman, BSFC.

Copies of the above resolution are on the file in the office of the Secretary of Public Utilities Commission.

THEREUPON THE MEETING+ADJOURNED AT: 5:54 P.M.

Romaine A. Smith
SECRETARY

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:36 P.M.

July 25, 1978

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:36 p.m.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners; H. Welton Flynn, Peter McCrea, John M. Sanger

The minutes of the regular meetings of June 27, 1978 and July 11, 1978 were approved, as corrected.

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO.

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0308 HH

Approving modification in the debit amount of \$12,225 to provide funds for additional work under HH Contract No. 580, Mission, Bryant, Alameda, 16th, 14th and 8th Streets, and South Van Ness Avenue, Underground Duct System. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0309 HH

Approving supplemental appropriation, amount \$100,841.93, to provide funds for a retroactive salary adjustment for fiscal year 1974-75 for Class 7514- General Laborer and related classes pursuant to the decision of the State Supreme Court in the Killian vs. City and County of San Francisco law suit.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0310 W

Declaring the existence of an emergency, and approving transfer of funds in the amount of \$20,000 for emergency repairs to 12" drain line-South Basin, University Mound Reservoir.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0311 W

Authorizing bid call for WD Contract No. 1742- Sealing of roof expansion joints, Sunset Reservoir-North Basin. Estimated Cost: \$35,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0312 W

Authorizing bid call for WD Contract No. 1753- Relocate 16" D.I. Main-3rd and Howard Streets. Estimated Cost: \$29,500.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0313 W Authorizing bid call for WD Contract No. 1746-CDD Control Room, Lake Merced Pump Station. Estimated Cost: \$20,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0314 W Approving supplemental appropriation, amount \$354,271.68, to provide funds for a retroactive salary adjustment for fiscal year 1974-75 for Class 7514-General Laborer and related classes, pursuant to the decision of the State Supreme Court in the Killian vs. City and County of San Francisco law suit.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0315 W Approving supplemental appropriation, amount \$16,000, to provide funds for sewer service charge incurred by the Water Department during the 1978-79 fiscal year.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0316 W Approving write-off of Water Department uncollectible accounts receivable more than 90 days past due, month of May, 1978, amount \$6,064.02.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0317 M Approving Contract Change Agreement No. 24 in the debit amount of \$28,434, to provide for changes in the work in order to increase safety and provide suitable maintenance facilities, under SFMRIC Contract No. MR-609, Muni Metro Rail Center, and requesting the San Francisco Municipal Railway Improvement Corporation to approve and execute Contract Change Agreement No. 24. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

78-0318 W Authorizing the General Manager of Public Utilities to execute a .413 acre Revocable Land Use Permit to Robert H. Leech dba Bob Leech's \$4 Auto-rental, SFO, Inc., for the purpose of a car rental lot, of certain former Municipal Railway right-of-way property located in the City of San Bruno, at a monthly rental of \$440, plus reimbursement for taxes and assessments, and subject to rental adjustment every three (3) years until revoked.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0319 W Cancelling the construction of Balboa Reservoir, Balboa Pumping Station and Balboa Feeder Mains from the 1972 Municipal Water Supply System Improvement Bond issue; directing the Water Department to resubmit the projects for construction under future bond issues when water supply conditions warrant their construction; and directing the Water Department to make recommendations for the construction of other more urgently needed water system facility improvements utilizing funds originally intended for the construction of Balboa Reservoir and related facilities.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0320 M Commending Douglas Norberg, Cleon Fleming, and Kermit Arnold for their service and representation in the 1978 Safety Rodeo; and wishing Douglas Norberg the best of luck as Muni's representative at the 1978 APTA National Bus Rodeo in Toronto, Canada on September 26, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0321 M Commending Municipal Railway Operator LaVerne C. Simmons for the prompt and efficient manner in which he came to the aid of an injured pedestrian.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

- 78-0322 M Approving supplemental appropriation, amount \$3,609,705 to provide funds to maintain the salaries rate and benefits paid platform employees on June 30, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0323 M Approving projects authorized and funds allocated to the Municipal Railway by the Board of Supervisors for various equipment and ways and structures maintenance programs through Title II of the Local Public Works Employment Act of 1976; and so informing the Mayor's Office; and directing the General Manager of Public Utilities to take actions necessary to implement the referenced program.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0324 PUCC Approving the award of the TIMS Accounting Module contract agreement for professional services to Arthur Andersen and Company.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

At the request of Mr. John B. Wentz, General Manager of Public Utilities, items 10 and 11 commending Municipal Railway employees were taken out of order.

Resolution No. 78-0320--Commending Douglas Norberg, Cleon Fleming, and Kermit Arnold for their service and representation in the 1978 Safety Roadeo; and wishing Douglas Norberg the best of luck as Muni's representative at the 1978 APTA National Bus Roadeo in Toronto, Canada on September 26, 1978.

Mr. Curtis E. Green, General Manager, Municipal Railway introduced the three winners of the Safety Roadeo which was held at the Cow Palace on July 15, 1978. He said competition was keen at the Roadeo.

He introduced Mr. Douglas Norberg, the first place winner, who will be Muni's representative at Toronto, Canada; Mr. Cleon Fleming, second place winner; and Mr. Kermit Arnold, third place winner. He presented trophies to the three winners, and also introduced Mr. John Taketa, Chief Instructor.

Mr. Lawrence B. Martin, President, TWU Local 250-A congratulated the winners on behalf of the union, stating he hoped they would participate again next year.

Resolution No. 78-0321--Commending Municipal Railway Operator LaVerne C. Simmons for the prompt and efficient manner in which he came to the aid of an injured pedestrian.

Mr. Rod Bartholomew, Acting General Manager, Operations and Administration, introduced Operator Simmons. He stated that on the evening of June 25, 1978, while operating a K Line Shuttle Coach, Operator Simmons saw an injured female senior citizen who had fallen into a construction hole. He brought his coach to a stop, removed her bodily from the hole, provided first aid, and called an ambulance to transport her to the hospital. Mr. Bartholomew commented that Operator Simmons has only been with the Municipal Railway for six months, and that Muni management is proud of his work record.

President John F. Henning, Jr., on behalf of the Commission, commended the four operators present, and directed the Secretary, PUC, to prepare appropriate resolutions for presentation.

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz Section 504 Regulations

Mr. Wentz commented that staff had been asked to write UMTA urging that a hearing be held in San Francisco regarding UMTA 504 regulations. He said that is no longer necessary, as it has been learned that the Department of Transportation will hold five regional hearings, one of which will be held in San Francisco on September 15, 1978. Lyle S. Peterson, Coordinator of Elderly and Handicapped, attended an APTA-UMTA Workshop of the Proposed 504 Regulations on July 13, 1978, in Washington, D.C.

Commissioner Peter McCrea noted that a letter could be sent complimenting UMTA on its decision to hold a meeting in San Francisco.

Fare Modification RFP

Mr. Wentz suggested that Lynn Pio, Transit Environmental Coordinator, be contacted if there were any recommendations of firms to solicit for fare modification RFPs. He said staff will come to the Commission for approval of the RFP at the PUC meeting of August 8, 1978.

Water Bill Mailer

Mr. Wentz advised that a notice is being enclosed with the current water bills advising customers of the new "single rate" of 37 cents per unit. Copies of the mailer were given to the Commission. These were prepared by Mr. James H. Leonard, Director of Public Service.

Transportation Policy Group

Mr. Wentz reported that a 3-hour meeting was held by the TPG on July 18, 1978. A presentation was given on a variety of explanations of the Northeast Waterfront Study. Muni staff gave a presentation on the work being done by the consultant on the Embarcadero loop project. A discussion was held regarding the Transbay Terminal. Staff will be developing some firm recommendations with respect to Muni's desires regarding that new facility. A suggestion has been made that financing could be aided by the development of a tall office building. That might be a good economic suggestion, but would use up open space.

Traffic control on transit streets was discussed with the Police Department, and a policy proposal will go to the Board of Supervisors for strengthening that activity.

Studies on Forest Hill Station were discussed.

Assaults on Muni Drivers

A meeting was held in the Mayor's Office on July 19, 1978, regarding assaults on Muni drivers. This meeting was attended by Chief of Police Charles Gain, Deputy Chief Jeremiah Taylor, the District Attorney, Mr. Green, Mr. Lawrence B. Martin, Mr. Bartholomew and Mr. Wentz. It was concluded that the most critical aspect is that the Police Department is not building up valid statistics of assaults on Muni drivers. It was agreed there would be a meeting with the operators, the District Attorney, and the Police Department on a concentrated effort to stop the assaults.

LRV Acceptance

The Streets & Transportation Committee of the Board of Supervisors will have an item on the calendar of July 27, 1978, regarding LRV acceptance. The item will be introduced by Supervisor, John L. Molinari and staff will be present to respond to questions.

Mr. Eugene J. Kelleher, Acting General Manager, Water Department, reported on Water Department items.

Water Consumption

Mr. Kelleher gave copies of the weekly water consumption report to the Commission. He noted that consumption for the past week is 19 percent below that for 1976. He stated that customers are complaining about the high sewer service charges. The Water Department is under-funded for processing of these complaints, and now has 1500 letters of complaint on file. These letters are being forwarded to Wastewater Management for reply.

Main Break at Embarcadero Center

This break occurred on the past weekend, but the water main is one belonging to the Fire Department.

University Mound Reservoir

The drain at University Mound Reservoir has been cleared at a cost of \$7,000.

San Mateo County Inquiry Re: Golf Course

Staff of Water Department attended a meeting with San Mateo County officials regarding building a golf course on San Mateo County Water Department properties. A consultant has been hired by San Mateo County to lay out three different plans. One plan would be to construct the golf course on the State College site, which the Water Department no longer owns. Another plan would provide for construction along Canada Road.

This course would be operated as a Municipal course, and if on WD property would be leased from the Water Department.

Officials of San Mateo County wish to know if the Commission is interested in constructing a golf course.

President Henning asked what provisions San Mateo County has adopted in terms of public hearings or EIRs.

Mr. Kelleher replied that San Mateo County does not wish to take those steps until some response has been received from the Commission.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power, reported on HH items.

San Joaquin Pipelines

Pipeline No. 2 has been repaired and put back into operation. The erosion of the lining of Pipeline No. 3 is worse than expected. Work on this pipeline has been deferred for the past three years due to the dry spell. In order to perform this work some emergency funding from Hetch Hetchy reserve funds will be required.

Net Paying Sales

Commissioner Claire C. Pilcher asked why net electricity sales are down so much.

Mr. Moore replied that net electricity sales have been about \$3-1/2 million per month while running full, but are dropping because power generation is dropping to a more normal cycle.

Commissioner John M. Sanger asked if there has been any revision of projected power sales.

Mr. Moore said the projection would probably be higher than the last projection made.

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Mr. Curtis E. Green reported on Municipal Railway items.

California Cable Car Line

Mr. Green reported that at 12:05 A.M. this date a breakdown occurred on the California cable car line. The same bearing went out that was repaired two weeks ago. He said the line should be back in operation by July 28 or 29, 1978. Buses are now running on this line. Expenses of \$2,000 were incurred in overtime and the cost of the bearing.

Assaults on Drivers

There have been a rising number of assaults on drivers. The meeting in the Mayor's Office a week ago was followed by a meeting on July 24, 1978, at the Woods facility. The same people were present at this second meeting--plus 200 drivers. Strong positions were taken by the Chief of Police and the District Attorney. The District Attorney has found that current law does not provide for felony prosecution for assaults on drivers, as is the case for attacks on policemen and firemen. The District Attorney has initiated legislation which will be supported by Assemblyman Willie Brown, whereby assaults will be treated as felonies. Mr. Green stated that during the meeting many recommendations for a better program were received from drivers.

APTA-UMTA WORKSHOP of the Proposed 504 Regulations

Mr. Lyle Peterson stated that he represented Mr. Green at this workshop held on July 13, 1978, in Washington, D.C. He said this was a workshop to discuss 504 regulations and the concerns various transit properties have with those regulations, and the concern the handicapped community has regarding the stand which APTA and General Motors have taken. HR 11722 and S-2441 would exempt rail properties and the Transbus from 504 regulations. Mr. Peterson said he went to the workshop with the position of the Commission--a position whereby Muni desires full accessibility as a general policy. One of the concerns is the high cost of making the systems accessible. The handicapped community would support the regulations except for requesting that Congress fund Section 10 of the Urban Mass Transit Act which would pay the cost of accessibility. Funds from Sections 3 and 5 could be used on programs already planned.

Mr. Lawrence B. Martin stated he would like to bring the Commission up-to-date in the matter of assaults on drivers. He said the TWU originally wrote a letter asking Mayor George R. Moscone to chair a meeting concerning this problem, and invited the other people who were present. The TWU legal office put together the proposed legislation, and asked the District Attorney's staff to look at it, and to promote it for all transit operators in California. The proposed legislation will be heard in Sacramento in the next session--not this year.

Mr. Martin explained that abuse of operators has increased. The reporting process at Muni is one of the major problems, and the old way is now out dated. It is necessary to make out a report to submit to the Police Department and the District Attorney's Office. The other problem is response time. The operator must place a call to Central Control and give information such as name, cap number, location, etc., before Central Control logs it and calls the Police Department. Mr. Martin suggested that a code system, using colors, such as "red", and the location could be used. Also, operators could be educated to give more detailed information to the Police Department. He said Line 51 is the major problem, but there is a tremendous problem all over the City. Also, a public relations program to get the riding public involved in coming to the aid of passengers could be studied.

Mr. Martin added that the TWU is endeavoring to get AC Transit, BART, Santa Clara County, San Mateo County, Sacramento and Los Angeles involved in seeing that the proposed legislation is passed.

Commissioner Sanger asked why the weekly and monthly reports from Muni contain no reference to the matter of assaults.

Mr. Green stated the matter of assaults on drivers will be reported.

Mr. Martin brought out that at the meeting held July 24, 1978, the operators told Deputy Police Chief Jeremiah Taylor and District Attorney Joseph Freitas that if nothing is done to stop assaults on drivers, the drivers themselves will do something. He said security guards have decreased the problem as far as passengers are concerned, but assaults on drivers continue.

Commissioner McCrea asked if there is any general reason tied to the operation of the Municipal Railway itself that would explain why these incidents have increased.

Mr. Martin said the attitude of patrons in not wanting to pay fares, and disputes concerning transfers are the two main causes of incidents. He said it might be better to do away with the transfer, and adopt a uniform fare. Some people now use the same transfer all week, and refuse to allow the operator to see it. Other people drop three cents or a nickel into the fare box.

Commissioner Pilcher asked if it is necessary for security guards to travel in pairs.

Mr. Martin replied that they travel in pairs for their own security.

Commissioner McCrea commented that some of them stand on the street in groups of four or six.

Mr. Green said Muni has discussed this matter with Lieutenant Goad of the Police Department, as the program is administered by the Police Department.

Responding to a question from Commissioner McCrea concerning delivery of the new radio control system, Mr. Green stated it will be in operation in 9 or 10 months.

Parking in Bus Zones

Commissioner Pilcher asked why fewer bus zone citations were issued this year.

Mr. Green explained that the Muni report does not show traffic citations issued by the Police Department.

Mr. Bartholomew added there are 27 Transit Service Inspectors who are not sworn police officers. Muni staff is urging Chief Gain to have them sworn in as police officers in order that they can issue citations.

Commissioner Pilcher moved that a strong letter be sent to Chief of Police Charles Gain expressing the Commission's dismay that Transit Service Inspectors can not issue citations.

Mr. Maurice Klebolt of CAPTrans said he would like to see the letter amended to give inspectors the power to order tows.

Commissioner Pilcher said she would so amend her motion.

Commissioner H. Welton Flynn seconded the motion, which was unanimously adopted.

President Henning directed staff to prepare such a letter.

Commissioner Pilcher commented that one of the Police Commissioners had telephoned her about a "run in" with a bus driver. She explained that the drivers have a problem in that they can not get into the bus zones.

Mr. Green reported that Muni now has the support of the Police Department in allowing meter maids to assist in writing tickets. He said they do a good job, and write hundreds of tickets a month.

Commissioner Pilcher commented that bus zones still have cars parked in them.

Mr. Wentz said that as a result of the meeting in the Mayor's Office Mr. Green is to request that the fine for parking in bus zones be raised from \$10 to \$25.

Mr. Martin commented that at the meeting in the Mayor's Office on the matter of assaults on drivers, it was brought out that operators have indicated Muni may be losing 25 percent of fares daily due to inability to collect them. He said there is no uniform method for dealing with non-payment of fares.

Commissioner Pilcher stated that if the operator stopped the bus, the passengers would come to his assistance.

Mr. Martin explained that that is not allowed. He said there has to be a uniform set of rules, plus some assistance from the Police Department.

Mr. Green explained that the Municipal Railway has taken the position that an operator does not delay a bus load of people because of an argument with one individual.

President Henning directed that available statistics in terms of revenue lost be calendared.

Commissioner Pilcher suggested that Mr. Bill Henderson be asked if he has any suggestion on how to deal with the problem of how drivers approach the public.

Commissioner Flynn commented that the transfer privilege was extended 2-1/2 years ago.

Mr. Martin said this has created many problems.

President Henning directed that staff report to the Commission on the matter of transfers.

Commissioner McCrea suggested that CAPTrans and the union be prepared to offer suggestions.

Commissioner Sanger stated the matter of transfers should be tied in with improved fare collection procedures or increasing the use of Fast Pass alternatives.

Mr. Green stated it will be included in the RFP.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner McCrea discussed the following items:

Staff Recommendations on Administrative and Operational Cost Reductions

Commissioner McCrea stated he is not satisfied with the reports and that the Commission is faced with two problems that will come to pass. One will be a requirement for a fare increase. The other will be the reorganization of the Municipal Railway under a Transportation Commission. He said some outside assessment is needed as to whether Muni's overall management is as cost effective as it might be. Many people will question a fare increase in the face of no audit of whether Muni has the most cost effective type of organization.

Muni's consultant (UTDC) is doing an in-depth study of maintenance. This firm might be in a position to expeditiously prepare an overall management review of areas other than maintenance organization, which could be of assistance to the PUC, and perhaps to the new Transportation Commission. Commissioner McCrea moved that the Commission direct staff to obtain a proposal from UTDC regarding an amendment to the contract for an expanded scope of review to provide the Commission by December 1, 1978, with an analysis of the overall organization of Muni, giving particular attention to areas involving administrative and operational efficiencies. Commissioner Pilcher seconded the motion, which was unanimously adopted by the Commission.

Commissioner McCrea added that the required funds will have to be located in the Muni budget, rather than approaching UMTA.

Mr. Wentz commented that even the supplemental appropriation route will take 30 days.

President Henning stated the matter should be expedited, and requested a report at the PUC meeting of August 8, 1978.

Light Rail Vehicle (LRV) Program

Commissioner McCrea said he has asked three times for some type of comprehensive evaluation of the consequences of various alternatives to purchasing and operating LRVs under the current program. He said a fair amount of legal opinion has been forthcoming, but that he has never seen a sound engineering, economic and operational analysis of the consequences of not operating the current program.

Commissioner McCrea moved that the Commission direct Mr. Green or Mr. Wentz to have Mr. Farrel Schell, LRV Program Director, prepare for the Commission within the next month a comprehensive analysis which will allow the Commission the ability to make sound decisions regarding the LRV program.

Commissioner Sanger seconded the motion, which was adopted unanimously.

RFP for EIR for Fare Modification

Commissioner Pilcher asked if this RFP is being coordinated with the EIR of the Planning Commission on the commerce and industry element which deals with the issue of transportation as well as other issues. She said she would like to refer Municipal Railway staff to that EIR, and that perhaps a coordination study could be done.

President Henning so directed.

Standing Committees

Commissioner Sanger asked if the Commission could have standing committees to deal with matters which take up a great deal of time. He requested that staff prepare a report on appropriate committees.

President Henning commented that there is a City Attorney's opinion on this matter.

Commissioner Sanger said he is suggesting that the standing committees meet in public.

Municipal Railway Summertime Report

Commissioner McCrea stated that Muni service is deteriorating badly, largely as a result of the summertime problem of not having enough drivers. He requested staff to prepare a report on why the Municipal Railway can not get enough buses on the street.

Resolution No. 78-0318--Authorizing the General Manager of Public Utilities to execute a .413 acre Revocable Land Use Permit to Robert H. Leech dba Bob Leech's \$4 Auto-rental, SFO, Inc., for the purpose of a car rental lot, of certain former MR right-of-way property located in the City of San Bruno, at a monthly rental of \$440, plus reimbursement for taxes and assessments, and subject to rental adjustment every three years until revoked.

Commissioner Sanger asked what happened to the other 15,000 square feet which previously rented.

Mr. Kelleher explained that it is not needed at this time.

Commissioner Sanger asked if the other portion shouldn't be leased before the Water Department executes this permit.

Mr. Kelleher stated it is a Municipal Railway right-of-way, and could be used for future BART expansion or some connection to the Airport. It is a very narrow strip.

Commissioner Pilcher asked if Department has obtained independent appraisals.

Mr. Kelleher replied in the negative. He stated that the Director of Property makes appraisals.

Commissioner Pilcher stated that the Water Department might have a piece of land appraised independently next time as a test case--that sometimes the property is actually worth 2 or 3 times the assessed value.

Mr. Kelleher said this would be worth while where there is a new development.

Commissioner Sanger suggested that adjacent property be looked at instead of taking the Assessor's evaluation.

Resolution No. 78-0319--Cancelling the construction of Balboa Reservoir, Balboa Pumping Station and Balboa Feeder Mains from the 1972 Municipal Water Supply System Improvement Bond issue; directing the Water Department to resubmit the projects for construction under future bond issues when water supply conditions warrant their construction; and directing the Water Department to make recommendations for the construction of other more urgently needed water system facility improvements utilizing funds originally intended for the construction of Balboa Reservoir and related facilities.

Commissioner Sanger asked if the reservoir is to be used for bus storage needs.

Mr. Green replied that this action will not affect Muni, as neighborhood groups forced Muni to discard this site as a potential bus storage facility.

Commissioner McCrea asked when staff will come back with a review of bus storage facilities.

Mr. Green said staff expects to have this review for Commission by September 1, 1978.

Resolution No. 78-0322--Approving supplemental appropriation, amount \$3,609,705 to provide funds to maintain the salaries rate and benefits paid platform employees on June 30, 1978.

Commissioner Sanger asked why the Controller is now permitting a transfer of \$3- 1/2 million.

Mr. Wentz explained there had been a lack of communication between the Mayor's Office and Controller.

Commissioner Sanger moved that the action of the Commission meeting of July 11, 1978, regarding this matter, be rescinded, and that the agenda item be adopted.

Commissioner Pilcher seconded the motion, which was adopted unanimously.

ITEM NO. 15--Approving and authorizing the General Manager of Public Utilities to enter into an agreement for the temporary employment of Hood and Strong, Certified Public Accountants, for professional services to appraise the properties of the Water Department and the Hetch Hetchy Water and Power System, as of June 30, 1978, in accord with Section 6.407 of the Charter of the CCSF at a total fee not to exceed \$40,000.

Commissioner Flynn asked when the Water Department and Hetch Hetchy were last audited by a CPA firm, and by whom.

Dr. John M. Christensen, Jr., Assistant General Manager, Finance, replied an audit was performed in 1977-78 by Hurdman and Cranston. An audit is performed each year, and the same firm has it for two years.

Commissioner Flynn said his concern is that CPA firms are not competent to appraise properties.

Dr. Christensen commented that the use of the word "appraise" is not precise, as the work is to confirm properties for listing on the balance sheets of the Departments.

Commissioner Flynn stated that the last audit should have addressed itself to those issues. He asked for what purpose \$40,000 is being expended.

Commissioner Flynn further questioned the authority of the Controller to select a firm, but stated that he can make a recommendation. The Commission determines how professional services contracts are issued. The Controller has three auditors to do this type of work, and the Charter provides for accomplishment of this work every five (5) years. The language "appraise" is wrong. During an audit the existence of properties has to be verified, their cost, and if the write-off is correct.

Commissioner Flynn said he would like someone to tell him if a CPA firm is being hired to appraise property when another firm has already done that.

Commissioner Flynn also raised the question of sole source, and commented that the proposal has not been reviewed by affirmative action staff.

Commissioner Sanger asked if this work is necessary.

Dr. Christensen explained that the work is required by the Charter and involves confirming physical inventory and cost of acquisition.

Commissioner Sanger asked why the Municipal Railway is not included in the appraisal. and Dr. Christensen replied that Muni is on a different cycle.

Commissioner Flynn moved that Item No. 15 be taken off calendar until the issues raised by him are resolved.

Commissioner Sanger seconded the motion, which was adopted unanimously.

THEREUPON THE MEETING ADJOURNED: 3:57 P.M.

Romaine A. Smith
Secretary

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:45 P.M.

August 8, 1978

COMMISSIONERS

- John F. Henning, Jr., President
- Claire C. Pilcher, Vice President
- H. Welton Flynn
- Peter McCrea
- John M. Sanger

DEPARTMENTS

- Municipal Railway
- Hetch Hetchy Project
- Water Department

BUREAUS

- Accounts
- Public Service
- Personnel & Training
- Safety
- PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

REPORT

ON THE PROGRESS OF THE WORK

OF THE COMMISSIONERS OF THE LAND OFFICE

IN THE YEAR 1841

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Call To Order: 2:45 P.M.

Present: Vice President Claire C. Pilcher, Commissioners Peter McCrea, John M. Sanger

Absent: President John F. Henning, Jr., Commissioner H. Welton Flynn

The meeting was chaired by Vice President Pilcher.

The minutes of the regular meeting of July 25, 1978, were approved.

RESOLUTION

NO

Discussion preceding adoption of resolutions is attached.

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0326 M Approving application to the Department of Transportation for a grant under the Urban Mass Transportation Assistance Act of 1964, as amended. (SIP Amendment)

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0327 M Approving application to the Department of Transportation for a grant under the Urban Mass Transportation Assistance Act of 1964, as amended (TIP Amendment).

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0328 HH Approving Department of Public Works' proposal for construction of new street lighting on Vallejo Street Stairway from Montgomery Street to Kearny Street.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0329 HH Approving bid call for HH Contract No. 594 for Hetch Hetchy Contract No. 594-Priest Stilling Well and Domestic Water System Modification. Estimated Cost: \$21,000

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0330 HH Rejecting bid of Tower Construction, Inc., for Hetch Hetchy Contract No. 591, Cherry Road Slide Repair.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0331 HH Accepting as satisfactorily completed work under HH Contract No. 548, Taraval Substation, Construct Building and Install Equipment; approving credit modification of \$1,125.04; and authorizing final payment of \$25,403.66 to Joseph Di Giorgio & Sons, Inc., Contractor. (Power Improvement Program)

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0332 HH

Approving Department of Public Works' proposal for construction of new street lighting on Bush Street from Van Ness Avenue to Pierce Street.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0333 W

Awarding WD Contract No. 1747- Resurfacing Ravenswood Access Road (San Mateo County) and San Antonio Dam Road (Alameda County)- to Les McDonald Construction Co., Hayward, California, in the amount of \$32,947.50.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0334 W

Accepting as satisfactorily completed work under Professional Services Contract PS-153- Water Waste Surveys, Leak Detection and Other Hydraulic Investigation- and approving final payment of \$2,554.20 to the Pitometer Associates, Consulting Engineers. (Agreement executed June 28, 1977).

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0335 W

Accepting as satisfactorily completed work under WD Contract No. 1745, Installation of 30" Main in Howard Street between 3rd and 4th Streets; approving credit modification of \$2,453.40; and authorizing final payment of \$5,156.14 to Dalton Construction Co., Contractor.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0336 M

Approving supplemental appropriation, amount \$32,000, to provide funds for sewer service charges during fiscal year 1978-79.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0337 M

Approving supplemental appropriation, amount \$299,269.69 to provide funds for retroactive salaries, in compliance with court order for higher rate for certain craft employees.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0338 M

Approving settlement of the litigated claim of Homer J. Olsen, Inc., Superior Court No. 715 583, against the Municipal Railway in the amount of \$104,000; and requesting the Controller to allot funds and to draw a warrant against such funds as are or will be legally available in payment of said claim against the Municipal Railway.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0339 M

Approving payment of claims, amount \$63,693.54, from Municipal Railway revolving fund, month of June, 1978.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0340 M

Approving cancellation and write-off of uncollectible accounts receivable more than 90 days past due, amount \$346.69; and approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount \$8,228.87, month of June, 1978.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0341 M

Approving amendment of list of authorized signatures for General Claims Agent Revolving Fund to reflect departmental transfers and current personnel assignments.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0325 M

Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$98,150.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0342 W

Authorizing the Commercial Division of the Water Department in conjunction with the PUC Data Processing Center to prepare and circulate a Request for Proposal for a contract to redesign the existing Water Department billing and information system.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0343 M

Authorizing the immediate employment of one Class 7334 Stationary Engineer, and seven Class 7379 Electric Transit Mechanics for implementation of the Muni Metro program.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0344 M

Authorizing advertisement of a Request for Proposal for consultant assistance in the preparation of a report analyzing Muni's financial needs and assessing the potential socio-economic and environmental impacts and effects on patronage of various alternate actions which could be implemented.

Vote: Ayes-Pilcher, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0345 GO

Approving the proposed joint powers agreement to establish as a legal entity the Regional Transit Association (RTA), and requesting the Board of Supervisors to likewise approve the agreement and authorize its execution upon behalf of the City & County of San Francisco.

Vote: Ayes-Pilcher, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

COMMUNICATIONS

Vice President Pilcher referred to a response from Boeing Vertol (BV) Company dated July 27, 1978, to President Henning's letter concerning the commencement of delivery of the Light Rail Vehicles (LRVs). She stated that the Boeing letter states in effect that Boeing Vertol is working on items mentioned, and feels San Francisco has a legal obligation to inspect the vehicle for test purposes by August 11, 1978. She said it is the opinion of the Utilities General Counsel that inspection is to be performed with exceptions noted on open items where there is any problem.

Mr. John B. Wentz, General Manager of Public Utilities, commented that the City Attorney has been directed to prepare a response to that letter for review by the Commission.

Vice President Pilcher quoted consultants as saying the car has been inspected and except for specific items left open and assumed to be corrected by BV, the car is a useable vehicle at this time in terms of delivery for test purposes only.

Vice President Pilcher stated that during the Proposition 13 crisis a request was made that BART set aside two cars coming from Daly City to be available for San Franciscans. A response was received on July 5, 1978, directed to the Clerk of the Board of Supervisors. This response stated that for safety reasons and to have free access between cars it would not be possible to close off two cars. She stated, however, that during the past week three San Francisco BART directors, as well as Frank Herringer, John Wentz, and another employee, and herself, met at some length regarding cooperation between Muni and BART. It was the feeling that something more can be done in terms of increased ridership by San Franciscans. Use of fast pass, unified information service with BART, extension to the Airport were discussed. Savings in terms of station agents and patrol services are problems being worked on by the Regional Transit Association (RTA).

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz

There were no reports from Het Wetchv or the Water Department. Mr. Rod Bartholomew, Acting General Manager, Municipal Railway, reported on the following items:

Wire Rope for Cable Car System

Mr. Bartholomew reported that the E.H. Edwards Company, the current supplier of wire rope, has gone bankrupt. The Purchaser of Supplies, Mr. Joseph C. Gavin, has arranged an effective alternative source pending development of a new contract. There will be enough cable on hand to avoid any cessation of cable car operation.

Shut Downs on Cable Car Lines

Mr. Bartholomew stated that the 61 California Line was shut down from August 1 to August 4, 1978 and subsequently had to be shut down again. It was found that the device which causes the bearing to be lubricated was clogged. Frank Baggetta, Acting Transit Equipment Supervisor, was able to redesign the lubricating delivery system.

A burned out bearing on the 59 Powell-Mason Line was discovered on August 6, 1978. The line was placed back in operation August 7, 1978.

There will be a scheduled cable car shut down on August 17, 1978 for eight (8) hours for track repair. Motor coaches will be operated on the 59 and 60 lines, and the 61 line will remain in operation.

55 Bus Line

Thirty buses have had special "tuning" for use on the 55 Sacramento line. These buses will be able to negotiate Sacramento Street and will mitigate the problem of operators having to back down.

Cable Car Extension

Commissioner John M. Sanger inquired about the current legal status of the cable car extension.

Mr. Wentz replied that he is in receipt of virtually all reports requested by the Board Committee. A report is still due from the City Attorney's office, and Tom Matoff's analysis of the Voorhees report is being typed. When this is received staff will forward responses to questions raised by the Streets and Transportation Committee of the Board of Supervisors and copies will be sent to the Commission.

The object of the hearing to be held is to approve the traffic plan and to have the Board of Supervisors act on a resolution with respect to the traffic plan. The extension project will be terminated if the Board of Supervisors refuses to modify the traffic plan.

Assuming that the matter clears the Board of Supervisors, the PUC still owes the project one more hearing on account of UMTA. Following this, the Commission would make the final determination on a "go" or "no go" basis.

Boeing Vertol Cars

Vice President Pilcher stated a statement has been received from Supervisor Milk urging that BV cars be inspected and that staff continue on with the program.

Assault on Operator

Mr. Bartholomew reported on an assault not reported in the weekly report. He said this assault occurred August 3, 1978, and was minor.

Missed Runs

Commissioner Peter McCrea said a report on missed runs due to lack of drivers was prepared for the Commission, but it was his intent that it be discussed publicly.

Mr. Bartholomew stated that as of this date Muni is short 90 transit operators. One of the reasons for the shortage is as a result of the freeze placed on hiring of operating personnel as a result of pending passage of Proposition 13. Also this time of year is the heaviest vacation period, and there are a number of employees on the sick list.

The sick list runs at 16 to 17 percent per month, which is not excessive compared to other transit systems in the Bay Area. Efforts are being made to control sick leave abuse through counseling on the part of the division superintendent, and by sending a special investigator to the operator's home.

A new training class of 13 was started a week ago, and another class of 17 will be started on August 9, 1978. In another two weeks it is hoped that a class of 20 will begin. Muni staff is endeavoring to begin classes on a 2-week interval. By the end of the year Muni hopes to have no shortage of operators.

Mr. Bartholomew stated that 23 operators retired because of Proposition 13, and accumulated sick leave pay and vacation time must be paid.

Vice President Pilcher asked about a letter sent to the Mayor's Office requesting that Muni be allowed to hire employees in cases where accumulated sick leave is continuing.

Mr. Wentz replied that staff was advised by the Mayor's Office that this is impossible due to the necessity for budgetary control.

Commissioner McCrea asked if the problem is due to speed of training operators or speed of the Mayor's Office in processing requisitions.

Mr. Bartholomew said the tie up has been in the Mayor's Office.

Commissioner McCrea proposed that a letter be sent to the Mayor's Office giving a time table that reports the maximum speed at which drivers can be trained, and asking cooperation in processing requisitions in order to get back to the budgeted level of operators.

Vice President Pilcher asked if there are sufficient buses to put the additional operators on the street.

Mr. Bartholomew said there would be enough equipment tonight, but perhaps not tomorrow. He said the problem is a little of both lack of equipment and operators.

Commissioner McCrea stated that it seems that runs are being missed due to lack of operators at an equivalent level of equipment available, a situation that could be remedied by pursuing release of requisitions by the Mayor's Office.

Commissioner Sanger commented that it would be easier to understand if the weekly report reported on the number of total potential vehicles available for service and the number of operators who actually did report for work.

Mr. Bartholomew stated there are now 89 streetcars available for service, and that staff at Geneva Division is putting in a lot of effort to provide streetcars. Having these cars available is remarkable because of the age of the equipment. He said Mr. Frank Baggetta should be given credit.

Pickets at Muni Metro Center

There were some pickets from the Sheet Metal Workers Union at the Muni Metro Center this morning. They claim that in building the Center the contractor did not use union help in constructing the sky lights. These pickets are not stopping work by Muni employees.

Mr. Wentz reported on General Office items.

Streets and Transportation Committee

The Streets and Transportation Committee of the Board of Supervisors had before it on July 27, 1978, an item relative to LRV acceptance. This item was continued to the call of the chair. The item on compliance with CHP requirements was tabled.

Charter Amendment

On August 7, 1978, the Board of Supervisors took action on the Charter Amendment for a Transportation Commission. Two modifications were made in the fifth draft. The ex-officio members of the Planning Commission were deleted and a clause was added regarding the ability of the General Manager to appoint exempt position deputies subject to budgetary and fiscal provisions of the Charter. The item was approved for submittal to the electorate.

Safety Officer

A Safety Officer has been appointed to commence work on August 9, 1978, on a temporary basis. Mr. Thomas Alan Jennings is well qualified, and has had a number of years experience with BART. The position of Safety Officer is OSHA-inspired. Mr. Patrick J. Phillips, Assistant General Manager, Hetch Hetchy Project, has been doing the work for the past year.

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Vice President Pilcher commented that at the meeting with BART officials she was distressed that one of the BART directors said he has files from other counties requesting fare sharing, and to date there has been no such correspondence from San Francisco. She said staff has been directed to write such a letter, and that San Francisco has not been pushing for better and cheaper access to BART.

Under Proposition 13 San Francisco has cancelled the one maintenance person who had been cleaning Halladie Plaza. She suggested that it might be beneficial for interested members of the public to quiz the Board of Supervisors to see if maintenance can be obtained for Halladie Plaza.

Resolution Nos. 78-0326 and 78-0327--PUBLIC HEARING to consider application to the Department of Transportation for a grant under the Urban Mass Transportation Assistance Act of 1964, as amended.

Mr. Rino Bei, Program Manager, Transit Improvement Program, gave a brief presentation. He stated there are two items--one amending the S.I.P. program, and the other amending the T.I.P. program.

Four (\$4) million is the amount of funding involved in the SIP program. The first item provides for an application to UMTA for participation by UMTA for 80 percent funding of the LRV acceptance program. This is for the hiring of Muni staff to assist in the maintenance program.

The second element of the application for the SIP program is to request from UMTA \$1.8 million, which is the startup cost of Muni Metro service. Muni is asking for 80 percent of that amount. The approach is being used that startup costs are capital costs. In the current year's budget there is funding for this startup. If UMTA approves the application only a portion of those funds in the Muni budget would be expended.

The administrative part of the application is for fringe benefits for employees in the TIP control group who have been involved in the SIP program. UMTA previously supplied \$1 million in the budget because the specific amount that would be needed was not known. The amount over and above \$1 million which would cover those fringe benefits is being requested.

Mr. Bei commented that the City is incurring costs for the TIP and SIP projects such as services of the City Attorney, Purchaser and Controller. The Controller has developed a cost allocation plan to be utilized for funding in association with Federal grants. This has been approved by HEW, and is mandated for other Federal departments.

Mr. Bei stated that in the TIP program there is the same situation in terms of fringe benefits and County-wide cost allocation. Application is being made for reimbursement for those funds previously advanced. In the case of fringe benefits those funds would go to Muni. In the case of City-wide costs funds would go to the general fund of the City and County of San Francisco.

Between the two programs there are \$2.5 million in fringe benefits, \$4 million in cost allocation, \$800,000 for the testing and acceptance program, \$1.8 million for Muni Metro startup, and \$300,000 for administrative costs. This adds up to a total of \$9.4 million.

Commissioner Sanger asked if any of the salaries are for members of the LRV Task Force.

Mr. Bei replied those salaries are part of a separate application currently pending before UMTA.

Mr. Bei explained that regarding the fringe benefits for the TIP Control Group those costs for the past four (4) years were advanced by SFMRIC. He said this now becomes a reimbursement of costs and an estimate of costs for 1978-79.

Commissioner McCrea asked if Muni is going to hire maintenance personnel for startup of LRVs. He said he thought Muni was going to consider making an agreement with BART to have some of these services provided by BART.

Mr. Wentz stated staff is now working with BART, but when the budget was approved there was no agreement with BART, and sufficient money was put in to cover Muni staff.

Commissioner McCrea asked if this would make any difference to UMTA.

Mr. Wentz replied that it is assumed that UMTA will wish to go the most expeditious and least expensive way.

Dr. John M. Christensen, Jr., Assistant General Manager, Finance, explained that a budget line item is being established with UMTA. When the auditors subsequently look at costs incurred the method used will be evaluated at that time. If there is a significantly different charge resulting from another approach staff will advise UMTA by letter, and request approvals.

Commissioner McCrea asked if these 129 positions are positions covered by the Commission's request that they be individually released.

Mr. Merrill R. Cohn, Transit Equipment Engineer, replied affirmatively.

Commissioner Sanger asked about the provision of services from the City Attorney's Office. He asked if any reimbursement is being made that might be required in connection with the LRV acceptance program.

Dr. Christensen replied that the county-wide cost allocation program covers all departments of the City. The program allocates approximately \$5 million a year as Muni costs, and this includes some portion of City Attorney charges. Within the Public Utilities budget there is budgeted about \$800,000 for City Attorney services. Part of this money is being used by the City Attorney.

Commissioner Sanger asked if it wouldn't be a good idea to submit a request for some funds covering legal expenses.

Dr. Christensen replied that time cards are turned in by each individual who works on the project, indicating the number of hours spent on a specific task. Those time cards are charged to the project. Up to now the charges haven't been severe but when they become heavy time cards will be employed.

Commissioner Sanger asked if an adequate level of funding is being requested at this time.

Dr. Christensen replied, "yes". He said the application covers those types of costs, and that even a part of his time is charged to those projects.

Mr. John Elberling of CAPTrans stated that in May he wrote a letter asking the total administrative costs for the project control group, and what this had been in past years. He received an answer that these costs do not show up in the budget, as the money comes from the Federal government. He said he wrote a second letter in July stating he would like information, to which he received no answer. He would like a summary from the UMTA documents made available to the Commission and the public as to how much money it cost to build the new Muni.

Dr. Christensen stated that information is available in the quarterly reports provided to UMTA, and those reports are available to anyone, and costs reported are cumulative.

Vice President Pilcher requested that staff see that Mr. Elberling is mailed a copy.

Mr. Elberling asked about the authority of Mr. Bei's position, and Mr. Wentz stated that Mr. Bei is appointed by Mr. Green.

Dr. Christensen said he believed Mr. Elberling was referring to the fact that the TIP control group is funded by the SFMRIC. The local share is paid by the Improvement Corporation, and 80 percent is paid by the Federal government. Request is made to the Federal government after expenses have been incurred. He said reports are available in the Muni Accounting department and from the TIP control group, and administrative costs are shown.

Commissioner McCrea asked that a summary be prepared for the Commission and a copy be made available to Mr. Elberling.

ITEM NO. 8--Consent Calendar:

Commissioner Sanger said he wished to discuss item k, and Commissioner McCrea said he wished to discuss a,b,k, and l.

Resolution No. 78-0328 (a)--Approving DPW proposal for construction of new street lighting on Vallejo Stairway from Montgomery Street to Kearny Street.

Commissioner McCrea asked if the neighbors have been consulted about the design of lighting in that area.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power, replied affirmatively.

Resolution No. 78-0329 (b)--Authorizing bid call for HH Contract No. 594-Priest Stilling Well and Domestic Water System Modification.

Commissioner McCrea asked why a well is needed next to a large lake.

Mr. Moore replied that a stilling well is a pipe which "quiets" water so its level can be measured.

ITEM . (k)--Recommending to the Purchaser of Supplies that award of Contract Proposal No. 852 for 25 Advanced Design Transit Coaches be made to Grumman-Flexible Corporation as the lowest, reliable and responsible bidder, in the total amount of \$2,724,025 (exclusive of State Sales tax).

Commissioner Sanger stated this item was brought to the Commission's attention with respect to receipt of bids two weeks ago. He said he finds it offensive that he learns more from the newspaper than by having the item placed on the consent calendar.

Mr. Wentz stated it was placed on the consent calendar because it is an award of a bid that is in order.

Commissioner Sanger stated that staff promised to come back to the Commission when bids were opened, and that only two bids were going to be received.

Mr. Wentz said this was discussed. The calendar item indicates that the low bid was responsive, and is the one with the front door ramp.

Mr. Merrill R. Cohn explained that two bids were received--one from General Motors Corporation for \$113,015 per coach, and one from Grumman-Flexible for \$106,990 per coach. Both coaches met specifications, but the coach with the lift in front is preferred. The low bid received was for the type of lift desired. This was discussed with UMTA. The Grumman-Flexible bus is in production now. Long Beach has received these buses, and also Atlanta.

Vice President Pilcher inquired about handicapped community response.

Mr. Cohn replied that it does accommodate the handicapped, and they are quite responsive to this bus.

Mr. Wentz added that staff has worked closely with the handicapped community and they had valuable input. The next thing will be to work with the handicapped in developing a schedule for their use. Twenty-five buses can not cover the entire City, and it is desired to deploy them at times of day and on runs where they will be of the most benefit. Staff was admonished by UMTA to do this.

Responding to a question from Commissioner Sanger, Mr. Cohn stated the buses have an air suspension system, and also a kneeling feature. The floor of the bus can be lowered by six inches. Normal floor clearance is 30 inches.

Vice President Pilcher asked how a wheelchair is loaded on to the bus.

Mr. Cohn explained there is a passive wheelchair lift. When a wheelchair patron arrives the operator pushes a button which lowers a platform. The chair rolls on to the platform and the operator raises the platform. There are two special sections on the coach where wheelchairs may be parked.

Commissioner Sanger asked if these lifts can be used on hills.

Mr. Cohn replied affirmatively, stating there is a certain amount of correction on the lift itself that is self leveling.

Commissioner McCrea asked about the likelihood of the next purchase order for buses being of this type. He asked if the next logical order would be for the transbus.

Mr. Cohn said he could not make a prediction as he does not know when Muni will be ordering buses again. The transbus may not be made at that time. If Federal funding is used, Muni will buy whatever bus the Federal government will allow.

Commissioner McCrea said he thinks it is a mistake to buy 25 buses that will be 25 unique buses in the fleet. Two or three years from now buses will have common spare parts.

Mr. Cohn stated that the engine is the same as on the 391 buses Muni now has. The transmission is similar, and commonality of parts and knowledge will ease maintenance problems.

Commissioner McCrea commented that there is difficulty now in maintaining the current Flxible buses.

Mr. Cohn stated the ten Flxible coaches are not properly made. Flxible agrees that the design is not proper. It has been suggested that the Spicer transmission be replaced with an Allison transmission. Another problem is corrosion of wet cylinders. Otherwise it is the same bus---same tire, same seat, etc.

Vice President Pilcher asked if the alternative is no buses, to which Mr. Cohn replied "yes".

Commissioner Sanger asked Mr. Cohn if he is convinced these buses are completely compatible with present coaches, and Mr. Cohn replied in the affirmative.

Vice President Pilcher asked how long these buses have been used in Atlanta.

Mr. Cohn replied that they have been there one year.

Commissioner Sanger asked why Muni is buying 25 buses.

Mr. Cohn replied that Muni was directed by the Commission to buy 25 buses. Originally Muni had a grant for 50 mini-buses. That was changed to buy 25 midi-buses. That was changed because mini-buses did not perform well and probably due to a matter of funding.

Mr. Wentz explained that this is an attempt to replace 40 worn out Mack buses, and to bring the fleet up to size. Secondly, it is a commitment to UMTA to initiate some programs for the benefit of the handicapped. MTC (Metropolitan Transportation Commission) has accepted this program as evidence of meeting the Federal requirements for handicapped access.

Commissioner Sanger asked if these buses would substitute for some of the motor coaches.

Mr. Cohn replied affirmatively, and said Muni would have something newer and better.

Mr. Wentz added that unless there is a change, all future buses will have lifts on them.

Commissioner McCrea noted that there are now firms selling lifts that are retrofits. He said if he read the UTDC report correctly Muni has enough coaches and enough float to maintain current motor coach schedules.

Mr. Wentz stated, "That is not taking into consideration the recommendations of the POM study.

Commissioner McCrea said the POM study recommends reducing the number of motor coaches and increasing trolley coaches.

Mr. Maurice Klebolt of CAPTrans said he is amazed that Mr. Wentz has advised the Commission that the handicapped community is in accord with this award. He said former Commissioner Lydia Larsen opposed this plan for the handicapped. She said money should be used to retrofit existing coaches.

Mr. Klebolt said with these 25 buses there would be no handicapped service beyond West Portal. The 25 buses would be used to bring the handicapped to Muni Metro stations.

Commissioner Pilcher asked Mr. Klebolt where he is getting his information.

Mr. Klebolt replied, "Inhouse". He said there would be no provision for the handicapped at City College. He stated the 25 buses will be used to feed Muni Metro on a "dial-a-ride" basis. UMTA and DOT have a mandate to come up with a transbus. Mr. Green and Mr. Stokes are lobbying to have Section 5 thrown out.

Vice President Pilcher said she was uncomfortable that no representative of the handicapped community was present and that the matter was placed on the consent calendar.

Mr. Cohn noted there is a time constraint in that 45 days after opening of bids notice must be given to proceed. Bids were opened on July 21, 1978.

Vice President Pilcher asked why the Commission is just now receiving the first information.

Mr. Cohn stated that the day after the bids were opened he sent a letter to Mr. Wentz with a copy to each Commissioner.

Commissioner Sanger stated that Commission thought there would be a presentation. He asked if the low bidder would withdraw the bid if Commission were to miss the 45-day deadline.

Mr. Cohn said this would probably occur because they are about the only manufacturer in the market making buses now. They have a production line running and are not having any problem in selling buses.

Vice President Pilcher commented that the Commission seems to get very little information, and it is received at the 12th hour, and Commission is therefore "backed against the wall."

Commissioner Sanger moved to continue this item to the meeting of August 22, 1978. He stated that at that time he would like some oral presentation by staff regarding the best thinking at the moment on what the potential use of these vehicles is.

Commissioner McCrea seconded the motion, which was unanimously adopted.

Commissioner Pilcher stated that if there are plans within Muni to consider "dial-a-ride" she would appreciate knowing about them.

Commissioner McCrea said he would like to have some discussion of what alternatives there would be such as retrofitting existing diesel coaches to provide handicapped service. He said he would like an analysis, assuming that the number of motor coach runs remains consistent, of what these additional vehicles would do to the float available in the fleet. He would like a more rigorous comparison of the mechanical ability of this bus with the existing fleet, and would like some type of report as to the experience the Atlanta system has had with these buses.

Commissioner Pilcher added that there must be documentation.

Commissioner Sanger stated he would like to know how any of this is going to be transferrable to trolley coach operation.

Mr. Cohn stated the handicapped lift could go in the front door of trolley coaches.

Resolution No: 78-0338--(1)--Approving settlement of the litigated claim of Homer J. Olsen, Inc., Superior Court No. 715583, against the Municipal Railway in the amount of \$104,000; and requesting the Controller to allot funds and to draw a warrant against such funds as are or will be legally available in payment of said claim against the Municipal Railway.

Commissioner McCrea stated this is an exorbitant claim, and asked if there are any more like this.

Mr. Bei stated there are no other claims regarding this type of work.

Commissioner McCrea said he is disturbed that so much of the claim appears to be due to the inability of Muni staff to keep up with work the contractor wanted to do.

Mr. Bei said this was Muni's first re-railing job, and work was performed as a combination of Muni work and DPW work. There was a problem with the length of sequences in which portable cross-overs were moved. Also, the contractor had interpreted that he could pour concrete when streetcars were running. Muni staff said he could not.

Commissioner McCrea asked if Muni has straightened out its own procedures so this will not happen in the future.

Mr. Bei replied in the affirmative. Mr. Bei explained that the specifications have been changed concerning the pouring of concrete, not because of the suit, but because it was later found that it was possible to run streetcars while concrete was being poured. He said it was "a baptism by fire".

Vice President Pilcher asked that Item No. 9 be placed at the end of the calendar to await the arrival of another party.

Resolution No. 78-0342--Authorizing the Commercial Division of the Water Department in conjunction with the PUC Data Processing Center to prepare and circulate an RFP for a contract to redesign the existing Water Department billing and information system.

Commissioner McCrea asked how this will be integrated with the soliciting of bids to have a bank provide collection services.

Mr. C.D. Collins, Director, PUC Computer Center, stated the bank service is a lockbox operation, and is a totally separate item. There will be no duplication of work.

ITEM NO. 11--Approving the Municipal Railway action to deny additional 30-Stockton Express stops in both directions at Broadway and Stockton Streets.

Mr. Bartholomew reported that on May 22, 1978, the Board of Supervisors passed a resolution urging the Chief Administrative Officer to request the Department of Public Works to install additional bus stops at Stockton and Broadway Streets. Staff of Muni, anticipating a problem, does not wish to stop the 30-Express bus at that location.

Express buses are designed to get passengers from "point A" to "point B" in the least amount of time, and this would slow down express service. Also, this is a highly congested area. The southbound 30-Express makes one hard turn from Broadway onto Stockton Street. In order to stop at that location it would be necessary to use several existing parking places. Another point is that this is to establish a stop to serve an apartment unit at Broadway and Van Ness Avenue, from which certain residents want to travel to Stockton and Broadway. Muni staff does not feel that the service demand is great enough to change the existing express pattern. Staff would like to discuss the matter with interested parties and come up with a solution to satisfy everyone involved.

Annie Chung, speaking on behalf of senior citizens, stated there are now stops at Clay and Stockton and at Sacramento and Stockton. Senior citizens are asking that Muni eliminate a stop at Clay or Sacramento and put the stop at Broadway.

Mr. Lawrence B. Martin, President, TWU Local-250A, stated there are stops at Clay and Sacramento Streets because it is a cross line. He stated there is no lack of concern for the Chinese community as the Commission has approved the 82 line. He suggested making a change in the 82 line.

Commissioner Sanger stated there are several alternatives. One is for bus stops at Broadway and Powell Streets. Another alternative is the 82 line. Another possibility is substituting the stop at Stockton and Clay Streets.

Ms. Sue Lee of Chinatown TRIP, stated Chinatown TRIP does not want the 82 line changed. There is no transfer point between Sacramento Street and Union Street. People who want to take an express bus want to get over the hill.

Mr. Maurice Klebolt said CAPTrans has recommended extending the 39 line over Pacific Avenue to Van Ness Avenue and back by way of Broadway.

Vice President Pilcher directed that this item be calendared for the PUC meeting of August 22, 1978.

Resolution No. 78-0343-~~Authorizing~~ the immediate employment of one Class 7334 Stationary Engineer, and seven Class 7379 Electric Transit Mechanics for implementation of the Muni Metro program.

Mr. Bartholomew stated that some time ago the Muni Metro budget was approved and at that time the Commission asked staff to come back when employments were to be hired. Staff is now asking for one Stationary Engineer to maintain equipment at the Muni Metro Center and in the subway. Immediate employment of seven (7) Electric Transit Mechanics is also needed.

Commissioner McCrea stated that the money is in the budget, and Mr. Wentz added that if the grant application is approved, the money in the budget will not be used.

Commissioner Sanger said he thought the chances were 100 percent that these positions were going to be funded by UMTA.

Dr. Christensen said the chances were perhaps 51 percent. UMTA officials have indicated they would be willing to entertain this funding request. An application has already been sent to them containing the information on the two grant amendments passed earlier today. As soon as a letter of no prejudice is received the cost can be charged to the project with a minimum lapse of lost time.

Commissioner Pilcher said Commission has received a letter from Supervisor Harvey Milk regarding the startup of the LRV program.

Mr. Carl Carlson of Supervisor Milk's office, read portions of the letter. He said, "We have fcoled around enough with a Dorothy (cq) in Wonderland approach to the LRV project. We are going to have to do it and stop wasteful rhetoric. We should be working together to make it work--Boeing wants that and San Francisco needs that. We owe it to our riders, to work for the best we can get. You must come down to reality. Lets do the best job we can. Let them have the people to get with the program."

Commissioner Pilcher commented that there will be a vehicle inspection, and UMTA is being asked for a grant.

Mr. Carlson stated he has seen agencies get the money and not hire the people.

Commissioner Sanger noted a request is being made for 7 of 16 Electric Transit Mechanics. He asked if that means there will be 9 others with no request for funding from UMTA.

Mr. Farrel Schell, LRV Task Force Director, stated the acceptance test is a different element.

Mr. Cohn added these will be temporary employments for the acceptance test. Normal operation will require only 7 Electric Transit Mechanics.

Resolution No. 79-0344--Authorizing advertisement of a Request for Proposal for consultant assistance in the preparation of a report analyzing Muni's financial needs and assessing the potential socio-economic and environmental impacts and effects on patronage of various alternate actions which could be implemented.

Vice President Pilcher stated this RFP is in lieu of an EIR report which is no longer required by the State.

Mr. Lynn Pio, Transit Environmental Coordinator, stated staff was requested to provide more financial analysis than in the original RFP, and this has been done.

Commissioner Sanger proposed some changes in the proposed resolution and in the RFP. He said the major function of the study is to assist in evaluating Muni's future financial requirements in order to maintain the best level of service.

Included in the RFP are alternative sources of operating revenue, potential impacts on ridership and on the City as a whole. He said this includes possible changes in the fare structure, but it is by no means the exclusive reason for the study. He would like to see it very clear in the RFP that information, analysis and advice from a qualified consultant on how best to finance Muni operations in the future is needed. This could include rejection of AB 1107 funds.

Commissioner Sanger suggested changes in the proposed resolution, and distributed copies to the other Commissioners and to Messrs. Wentz and Pio. Under tasks that must be included he asked staff to make the RFP responsive.

In the RFP under tasks covered by consultant Commissioner Sanger said he would substitute the list of tasks under scope of work--preparation of report. He said the problem he has with the existing outline is that the impacts of a fare increase are being analyzed, and his personal philosophy is that you tell the consultant what you want in the end and have him tell you how to get it.

Mr. Dennis Hyde of the San Francisco Muni Coalition said he is glad to see that staff is re-focusing the RFP. He questioned three basic assumptions. One is that the ad valorem support for Muni will decrease. He would like to see that documented and why. Another assumption is that the report needs to be completed in a specified time. If that is so he would like to know why.

Commissioner Sanger replied it is because the budget process is starting up in about 90 days.

Mr. Hyde also questioned the assumption that incremental fare increases will be needed over a 5-year period.

Mr. Hyde stated he would like to see consideration of local and regional plans included, and consideration of the compatibility of various alternatives with local and regional plans. There is a big gap between theory and the dollar approach. He noted that City Planning has a transportation plan.

Commissioner Sanger said that should be added.

Vice President Pilcher said she hoped it was noted that there is an alternative of "no fare" to be explored.

Mr. Hyde stated his organization would like to see some well facilitated public work shops. They would not have to be public hearings of the Commission. He suggested that consultant meet with members of the Coalition.

Mr. Norman Rolfe of San Francisco Tomorrow stated that the matter of increased automobile traffic should be amplified. This would include increased cost of traffic control, increased cost of the Courts and emergency hospitals. There would be increased costs to the business community in case drivers are tied up in traffic and sales revenue drops.

Mr. Maurice Klebolt of CAPTrans stated that some lobbying was done by CAPTrans at the Board of Supervisors meeting to obtain funding for this project. This was done on the premise that part of the study would be existing fare structure and "no fare" structure.

Commissioner McCrea said he would like to make sure that when consideration of AB 1107 money is dealt with that it is clearly defined what this money would be used for. This is very important because of restrictions on AB 1107 funding.

Responding to a question from Mr. Klebolt, Vice President Pilcher said the Commission will make sure there is public input.

Commissioner Sanger said he would like assumptions which make the study look as if it is all going in one direction, eliminated from the RFP. The way the outline now reads everything is already known by staff. New information and analysis must be obtained, including whether Muni can obtain the use of AB 1107 funds.

Commissioner McCrea commented that Commissioner Sanger had added two management consulting firms to the list, and he suggested also adding the firm of A.T. Kearney.

This resolution was adopted unanimously incorporating Commissioner Sanger's proposed changes in the resolution and the RFP.

ITEM NO. 14--Discussion of a Municipal Railway report on fare and transfer disputes.

ITEM NO. 15--Discussion of Municipal Railway report on operator assaults.

These two items were taken together.

Mr. Bartholomew stated that Muni staff has spoken with all major Bay Area Transit systems, and San Francisco is the only system which pursues the collection of fares. Muni goes to great lengths to collect fares through the ejection process or by calling the police. He stated there has been a definite increase in altercations and assaults.

The operator can see into the Keene fare box to see how much money is put into the box. Operators are told to challenge the patron, and they are taking a beating for it in some cases. There are a number of solutions which would hopefully mitigate assaults on operators.

The Commission has asked Dr. Bill Henderson to prepare a report as to how the operator might handle a dispute, and a verbal report will be made at the PUC meeting of August 22, 1978. A/C Transit has a training session somewhat like an encounter session.

Deputy Police Chief Jeremiah Taylor and the police captains are meeting with operators at barns throughout the City, and the operators are thus able to tell the Police Department what their problems are. Police are concentrating on "hot" areas, and officers will be deployed in plain clothes and in uniform. Assemblyman Willie Brown is initiating legislation to make it a felony to assault an operator.

Vice President Pilcher inquired about a short term period of stopping buses until a patron pays the fare. She said she was on a bus when an intoxicated man boarded the bus with a \$1 bill. He sat down with the \$1 bill and the bus went on. She said she has the feeling that if the driver had stopped the bus someone would have come up with a quarter, and that the driver would have had support from other passengers.

Mr. Bartholomew said this has been considered, but there would be trouble on the rail system due to tying up of streetcars. It could be tried on coaches, but operators would have to use good sense.

Commissioner McCrea commented that the percentage of assaults associated with fare disputes does not seem to be going up, but unprovoked assaults seem to be rising rapidly.

Commissioner Sanger stated he compared 1977 with 1978, and the average assaults per month has gone from 6 to 7. The percentage involving fare disputes has gone from 20 to 40 percent. Therefore, he does not think the numbers are telling a great deal.

Mr. Bartholomew said the potential for assault is greater when it involves a dispute over a fare or a transfer.

Commissioner Sanger said he hears that, but the figures do not show that.

Explaining that her office has been burglarized four times in the past few months, Vice President Pilcher said the problem is serious and is an overall problem in the City. She said a specific cause is being searched for when it is quite possible a "cause you can put your finger on" does not exist.

Commissioner Sanger said he agrees, and does not blame it all on the fare box.

Mr. Lawrence Martin passed out a report (a part of the minutes) to the Commissioners on the union's proposal on assaults, incidents and fare and transfer disputes aboard Muni vehicles.

Commissioner Pilcher inquired about having the Police Department monitoring Muni radios.

Mr. Martin replied that the Police Department has enough problems already, and that perhaps operators should call the Police Department instead of Muni.

Commissioner Pilcher asked about a 2-channel radio.

Mr. Martin replied that money would have to be obtained for such a radio.

Commissioner McCrea asked about the drivers' reactions to Commissioner Pilcher's suggestion that the bus be stopped until the fare is paid.

Mr. Martin replied that the operators have agreed to use this program for a while.

Mr. Maurice Klebolt stated that Commissioner McCrea asked CAPTrans to come to the meeting today. Correspondence with Supervisor Dianne Feinstein was distributed to the Commission. Mr. Klebolt said some inconsistencies were found which put the operator on the spot.

He cited the case of an operator who took it upon himself to stop people who were cheating the fare box. This operator had been catching between 25 and 30 passengers a day. Ten days ago he picked up a passenger at Powell Street who put in only a nickel. The operator told the inspector. The inspector wrote the operator up for insubordination and recommended ten days suspension and gave the woman passenger a transfer and a pass.

Mr. Klebolt added that operators have no back up, and he thinks it is horrendous.

Mr. Bartholomew stated that Muni staff is being unjustly accused--that up until two months ago Muni inspectors had no instructions with respect to how to handle fare disputes. It was the practice to "smooth the whole thing over" with a minimum amount of disruption. Mr. Bartholomew then read a Bulletin dated June 26, 1978, regarding enforcement of fare collections signed by Mr. Curtis E. Green, General Manager, Municipal Railway. He said that to say the operators are getting no support is a lie.

Mr. Klebolt said he would not be called a liar.

Vice President Pilcher said there would be no debate, and asked Mr. Klebolt to please sit down. She said she would adjourn the meeting if he did not sit down.

Vice President Pilcher adjourned the meeting at 5:45 P.M.

The meeting was reconvened at 5:47 P.M.

ITEM NO. 9--Request for waiver of automobile liability coverage in the required insurance for Land Use Permit granted to Joyce Butkus and Jean Wilson on Water Department pipeline right-of-way in Menlo Park.

Vice President Pilcher directed that this item be put over to the Commission meeting of September 12, 1978.

Resolution No. 78-0345--Approving the proposed joint powers agreement to establish as a legal entity the Regional Transit Association (RTA), and requesting the Board of Supervisors to likewise approve the agreement and authorize its execution upon behalf of the City and County of San Francisco.

Mr. Wentz stated that the idea is to formalize the RTA, which has been meeting informally for 19 months, and the vehicle to do that is a joint powers agreement. This would give the RTA the ability to receive and disburse grant funds that would be of regional benefit.

Mr. Wentz said he consulted with McMorris M. Dow, Utilities General Counsel, the Treasurer and Controller, and the matter is being presented to the 6 boards of directors of participating agencies.

Commissioner Pilcher commented that San Francisco has only three representatives on BART, and is always being "aced out in the cold". She asked if the same thing is going to happen in this case where San Francisco is the only metropolitan area.

Mr. Wentz stated that the protection is that RTA may take no action other than by unanimous vote.

Commissioner McCrea asked if there would be any staff.

Mr. Wentz replied in the negative, and said that staff members of the various transit properties would do the work by means of a group of committees. He said the Procurement Committee is now chaired by Mr. Merrill R. Cohn, and that everyone would be able to take advantage of mass purchasing. There would be an Operations Committee, a Computer Committee, etc.

Commissioner McCrea stated he would like to carry on a discussion of item 15 at the Commission meeting of August 22, 1978, at a somewhat less acrimonious level. Assuming that the union supports such an approach, he suggested that Muni staff come in with a proposal setting forth a very strong policy that buses do not move if there is a dispute over fares. This would include a change in Muni rules. There should be an outline of a public relations program. The entire package should be made into a calendar item.

Commissioner Sanger commented he would assume this would require changes in the Muni Rule Book.

Mr. Martin said the intention of the union is to work this up as a program. He stated the last meeting on assaults is at Kirkland yard on August 10, 1978.

Commissioner McCrea commented that anything that would result in a major change in how buses run on the street ought to be discussed in public forum, as it will be a major shock to some people.

Commissioner Sanger stated he would be very reluctant to stop buses in the middle of the street until service is improved. He said he thought Mr. Martin's idea of embarking on a comprehensive program would be the way to go.

Mr. Wentz asked if staff could report back at the Commission meeting of September 12, 1978, as there is to be a meeting with the operators on the matter of assaults.

Mr. Hyde advised that the next meeting of the Muni Coalition will be August 23, 1978, at Sanchez School. The entire meeting will be dedicated to assaults.

Mr. Michael Dobosh, bus driver, stated he had a slight accident in July, 1976. There was no damage to either vehicle. He gave the woman the claims investigator's card, but she assaulted him, and he suffered severe injuries. He asked to talk to a psychiatrist and was rated as a mentally ill person. He said the union was not involved, and that he is not a member of the union. Because of the collision he had one year of unpaid sick leave and is still not allowed to return to work.

Commissioner Pilcher said if he would write a letter to the Commission they would be happy to deal with the matter.

Mr. Martin stated that Mr. Dobosh suffered an industrial injury. He went through the grievance procedure, and Civil Service gave him a year off because of the medical examination.

THEREUPON THE MEETING ADJOURNED: 6:00 P.M.

Romaine A. Smith
SECRETARY

32
3
2/78

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:35 P.M.

August 22, 1978

SEP 20 1978

DOCUMENTS DEPT
OF PUBLIC UTILITIES

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:35 p.m.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Welton Flynn, Peter McCrea, John M. Sanger

The minutes of the special meeting of July 13, 1978, were approved.
The minutes of the regular meeting of August 8, 1978, were approved.

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0347 HH Adoption of rate schedules to be charged by the Public Utilities Commission for furnishing Hetch Hetchy electric power to private consumers and municipal departments of the City and County of San Francisco.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0348 HH Accepting as satisfactorily completed work under HH Contract No. 579, Union Street, Parnassus Avenue, Clayton Street and Ashbury Street, Underground Duct System; approving credit modification of \$10,713.96; and authorizing final payment of \$31,159.33 to Homer J. Olsen, Inc., Contractor. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0349 W Accepting as satisfactorily completed work under WD Contract No. 1731, additions to Rock River Lime Treatment Plant in Tuolumne County, and authorizing final payment of \$3,918.18 to Monterey Mechanical Co., Contractor.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0350 W Approving collection of Water Department claim for damages against miscellaneous debtors, amount \$553.96, month of July, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0351 W Approving write-off of Water Department uncollectible accounts receivable more than 90 days past due, month of June, 1978; amount \$6,306.96.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0352 M Accepting as satisfactorily completed work under Professional Services Agreement with De Leuw, Cather and Company for Design of Twin Peaks Tunnel Repairs; and approving final credit modification in the amount of \$183.87. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0353 M Approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount \$2,762.04, month of July, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0354 M Awarding Contract No. MR-663 in the amount of \$9,700 to All Style Steel, Inc., of Pinole, California for Twin Peaks Tunnel-Repairs to Ventilating Intake Station-18th and Hattie Streets. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0355 M Approving payment of claims, amount \$14,171.78 from Municipal Railway revolving fund, month of July, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0346 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$50,736.78.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0356 M Recommending to the Purchaser of Supplies that award of Contract Proposal No. 852 for 25 Advanced Design Transit Coaches be made to Grumman-Flexible Corporation as the lowest reliable and responsible bidder, in the total amount of \$2,724,025. (exclusive of State Sales tax) (Deferred from meeting of August 8, 1978)

Vote: Ayes-Henning, Pilcher, Flynn, Sanger
No-McCrea

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

- 78-0357 M Supporting the Municipal Railway recommendation to establish inbound and outbound stops at Broadway and Powell Streets on the 30-Stockton Express between 10:00 a.m. and 4:00 p.m. and the deletion of stops at Stockton & Clay northbound and Stockton & Sacramento southbound.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0358 M Authorizing the General Manager of the Municipal Railway to take the necessary action to accommodate the offer of Chinatown TRIP to defray the cost of operation for the first day of the new 82 Chinatown bus line, and commending the Chinatown Transportation Research and Improvement Project for its diligence in advocating this new transit line.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0359 M Establishing a policy with respect to issuance of Municipal Railway passes.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0360 M Authorizing extension of the current vending machine contract, and invitation for bids for exclusive vending machine services at various Municipal Railway locations.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz

There were no reports from the operating departments.

Finance Committee of the Board of Supervisors

Mr. Wentz reported that the Finance Committee has recommended negatively on the supplemental appropriation for special legal counsel for Hetch Hetchy suits. At the Board meeting of August 21, 1978, this item was put over one week. Mr. McMorris M. Dow, Utilities General Counsel, is working closely with the Mayor's Office on this matter.

Streets and Transportation Committee of the Board of Supervisors

There will be an item before the Streets and Transportation Committee on August 24, 1978, entitled, "Consideration to Determine Whether Members of CAPTrans should be appointed by Supervisorial Districts". This item will be introduced by Supervisor Dianne Feinstein.

Boeing Vertol

A special meeting with Boeing Vertol staff has been set for 2:00 P.M., September 11, 1978, in the Lurie Room of the Public Library. Boeing Vertol officials will include Arthur Hitsman, Surface Transportation Systems General Manager; Fred Frajola, Chief Engineer; Edward Coyle, Manager, Streets Contract Administration; and Eric Neitzke, attorney..

Safety Officer

Mr. Wentz introduced Mr. Thomas Jennings, Safety Officer, to the Commission. Mr. Jennings commented that the position of Safety Officer presents a challenging opportunity.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Jitney- 25 Passenger Bus

Commissioner Sanger stated he understands that the Board of Permit Appeals made a decision on August 16, 1978, overruling the Police Department's ruling against a jitney operation involving a 25 passenger bus. The limit to date has been 12 passengers per jitney. No formal communication was received by Muni that the matter was going to be heard by the Board of Permit Appeals.

Commissioner Sanger stated that Mr. Curtis E. Green, General Mgr., Municipal Railway should request a re-hearing. He said this is an instance which indicates that a Transportation Commission is needed.

Mr. Green stated that Muni staff was apprised of this action after the fact, and that particulars are now being obtained.

Commissioner Pilcher commented that a request for a re-hearing must be made before the next meeting of the Board of Permit Appeals, or within ten days.

Commissioner Sanger said it would be proper to have a formal request made by the Commission.

Use of Committees by PUC

Commissioner Sanger said he wished at some point to discuss the staff report on the use of committees by the Commission. He asked if it would be appropriate to calendar this matter for the PUC meeting of September 12, 1978.

Mr. Wentz stated that the matter will be calendared for September 12, 1978.

Resolution No. 78-0347--PUBLIC HEARING to consider the adoption of rate schedules to be charged by the PUC for furnishing Hetch Hetchy electric power to private consumers and municipal departments of the City and County of San Francisco.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power, explained that the proposal is for a reduction in the cost of electric energy to bring Hetch Hetchy rates into line with PG&E rates, which were recently reduced 2.25 mills per kilowatt hour. The net effect of the reduction will decrease the cost of power to San Francisco International Airport by \$92,000 annually. The last time Hetch Hetchy changed the rates for Hetch Hetchy power the Commission approved a system of charges for Water Department pumping which contemplated the use of market rates for pumping water outside San Francisco and a discounted rate at Hetch Hetchy cost in San Francisco. On advice of the City Attorney's office, and from the point of view that it seems to be an equitable move, it is recommended that all Water Department pumping be charged at market rates. A discount would be given to all other City departments. Mr. Moore stated that Hetch Hetchy is operating under an injunction to charge July 1, 1975 rates for Airport tenants, and the Airport is being billed on that basis. The Turlock and Modesto Irrigation Districts are also being billed the contract rates.

President Henning opened the meeting to the public.

Mr. Ray E. McDevitt, attorney for the Bay Area Water Users Association, spoke on behalf of the Association stating their concern that adoption of the proposed rates will increase their costs and result in the suburban communities subsidizing the City. A copy of his speech is attached and made a part of these minutes.

Mr. McMorris M. Dow stated that this matter is now in litigation.

Responding to a question from Commissioner Sanger, Mr. Moore stated the change in rates will not be retroactive.

Mr. Wentz added that the adoption of rate schedules must be approved by the Board of Supervisors.

ITEM NO. 9--Terminating and canceling, effective October 31, 1978, that lease extension agreement, made and entered into May 31, 1967, between CCSF through its Public Utilities Commission, as Lessor, and Joseph W. Welch, Jr., and John W. Bacon, DBA Green Giant Garden and Home Supply, as Lessee; and authorizing and directing the Acting General Manager and Chief Engineer of the Water Department to give proper notice to the Lessee of the foregoing termination, and requesting said Lessee to quit and deliver up possession, on December 1, 1978, of those premises which Lessee now holds under the foregoing lease agreements.

Mr. Eugene J. Kelleher, Acting General Manager and Chief Engineer, San Francisco Water Department, advised that the attorney who made the extension has requested that the item be put over.

Mr. Charles Morgan, Attorney at Law requested that the matter be deferred, as he had only recently been informed of these proceedings.

Mr. Kelleher explained that a notice was sent to the lessee, and to the other attorney, Mr. A. James Scholz.

On motion of Commissioner Pilcher, seconded by Commissioner Sanger, the Commission voted unanimously to defer this item to the meeting of September 12, 1978.

Commissioner H. Welton Flynn asked if the lease provides for 30 days cancellation by either party.

Mr. Kelleher replied that only the City has the right to cancel the lease. By deferring this action for three weeks there may be a delay in getting a tenant for the property. Green Garden Nursery & Home Supply, Inc. leases only a small portion of the 4.4 acres of land involved, but the entire project will be delayed for three weeks, as the entire parcel will be advertised to invite proposals. Proper use of the property would not be obtained by leasing it to the present tenant.

Mr. McMorris M. Dow, Utilities General Counsel, advised that the present lease expires on November 30, 1978, and the lease can not be terminated before then. However, the extension agreement can be cancelled. The tenant could remain until November 30, 1978.

Resolution No. 78-0356--Recommending to the Purchaser of Supplies that award of Contract Proposal No. 852 for 25 Advanced Design Transit Coaches be made to Grumman-Flexible Corporation as the lowest, reliable and responsible bidder, in the total amount of \$2,724,025.

Mr. Curtis E. Green, General Manager, Municipal Railway, stated the item would provide for the purchase of 25 fully accessible buses, as a result of action by the Commission on an earlier occasion.

Mr. Merrill R. Cohn, Transit Equipment Engineer, stated that information had been requested by the Commission concerning mechanical compatibility, alternatives, fleet size, usage in the system, comments from the handicapped community, and performance and background information. He said written responses have been submitted through the General Manager of Public Utilities.

Mr. Cohn presented a short film illustrating the Grumman-Flexible 870 bus, and the conditions under which it was designed and tested. Narration accompanying the film explained that this bus is still a transit bus, and has a common sense design. It is the combined result of Rohr Industries 5 year development program and participation with the Transbus prototype project. The driver has a commanding view of the road and the windshield eliminates glare. The bus is designed to eliminate leaks and corrosion. The key work in vehicle maintenance for the 870 is accessibility. All maintenance tasks can be performed in less time and at the same work station. The body is designed and constructed for maximum resistance to collision damage. This bus has been thoroughly tested.

Mr. Cohn stated that this coach is mechanically compatible with the existing fleet, and also with the future Transbus. He said the Transbus is the same as the Flexible 870 except for a lower floor. Muni's contract calls for a class of instruction by the manufacturer and an engineer to be on hand throughout the warranty period.

Mr. Cohn stated this is not an alternative to retrofitting, and that Muni does want to provide service to handicapped patrons and make the fleet accessible to them. One of the future goals is to eventually retrofit the entire fleet. He said it is a matter of time and equipment availability, and that it would take 86 weeks from today to get retrofitting completed on 50 buses. Right now a suitable lift is not available. Muni is engaged in a project with the State's division of Mass Transportation to test and experiment with four (4) lifts and various modes of retrofit coaches. After a six months' testing period Muni will have specifications and will be able to obtain a good lift retrofit.

It was explained by Mr. Cohn that these buses will give Muni staff a chance to train operators, mechanics, wheelchair patrons, and ambulatory passengers who will have to learn to cope with wheelchairs on buses.

Mr. Cohn explained that Muni has a multimodal fleet, and that many times the diesel fleet has been called upon to substitute for Muni's other modes of transit, as well as to provide added transportation such as to ball games. He pointed out that the schedule for night games calls for 88 runs over and above regular runs, and 51 additional coaches are required to support special runs for Candlestick Park.

Mr. Herb Caen in this morning's Chronicle said it was a good idea to run buses to Candlestick Park. Mr. Cohn commented that in situations where cable cars and streetcars are out of service it could require 527 coaches to meet the demands of diesel runs plus substitute service. He said Muni presently has 526 coaches.

Mr. Cohn stated the usage of these coaches will be determined by the elderly and handicapped community. They will be conducting an origin-destination survey to derive information as to where the disabled and elderly work, shop, etc. The study will consider interfacing with BART and other lines, and this information will be developed into an allocation and scheduling plan for the 25 advance design buses. Mr. Cohn read a second letter from the Board of Control dated August 18, 1978, which stated that the primary interest of the elderly and handicapped community is in accessible transportation in San Francisco. The letter also stated that the proposed purchase of 25 buses can serve as an important step, and will allow for the necessary "shake down" period.

Regarding the experience of other transit districts, Mr. Cohn reported that Mr. Williams of Atlanta, Georgia, said the Grumman-Flexible 870 is a tight bus, built solidly, with minor problems which can be solved.

Mr. Cohn stated that the Transbus mandate by Department of Transportation Secretary Brock Adams will probably be delayed until 1983.

Commissioner Claire C. Pilcher asked if any formal action has been taken by the Board of Control with regard to this issue.

Mr. John Edmonds of the Board of Control explained that the Board has taken no formal action except for the preparation of a letter which somewhat supports the position of Muni staff.

Mr. Lyle Peterson, Coordinator, Handicapped and Elderly Study, stated that the Board of Control basically feels that 25 wheelchair accessible buses will provide a positive experience for the retrofitting program.

Mr. Edmonds stated that if these 25 buses are going to stand as an isolated phenomenon it would not be enough.

Mr. Green stated there is no intention on the part of staff to substitute 25 buses for effective accessibility for the handicapped.

President Henning asked if these 25 buses will be integrated into the regular fleet.

Mr. Green said an origin-destination study will be undertaken of the handicapped community, and eventually there will be an integrated system.

Commissioner Peter McCrea asked when the buses will be delivered, and Mr. Cohn replied, "Sixty weeks after approval of the contract."

Commissioner McCrea commented that at best Muni would get six months of experience with these 25 buses before retrofitting.

Mr. Cohn stated it would take 86 weeks to complete retrofitting of 50 coaches.

President Sanger asked how long that State study on retrofitting will take.

Mr. Cohn replied that the study will take 18 months, and is now about midway.

Mr. Green said he would question retrofitting buses that were purchased in 1967-1968.

Commissioner McCrea asked if retrofitting could begin with the trolley coaches, to which Mr. Green replied affirmatively.

Mr. John Edmonds commented that the trolley coaches were purchased without considering a retrofit. He said three more years will not bother anyone as long as it is understood that the program for accessibility is underway.

Commissioner McCrea asked if Mr. Edmonds was suggesting that the 25 buses would only be of temporary value.

Mr. Edmonds replied they would be used for training and "shake down", but there would be almost no scheduling of regular runs, as 25 buses out of approximately 600 is 1 out of 24. He added that SamTrans is in the process of purchasing buses with lifts, and will have almost their entire fleet accessible.

Commissioner Pilcher stated that a testing program is not started with 526 new buses with lifts, or being retrofitted tomorrow.

Commissioner McCrea asked how SamTrans obtained the first buses with lifts.

Mr. Edmonds replied they were purchased with lifts on them. He said SamTrans has about 22 of these buses on the regular run..

Commissioner Sanger commented that in their March 20, 1978 report UTDC states Muni has 397 motor coaches at peak demand, while the report of staff states there are 422 motor coaches at peak demand.

Mr. Cohn stated he has not seen the UTDC report. He said he took the weekday school schedule.

Commissioner Sanger noted that the precise difference happens to be 25. He said he is disturbed by the use of figures in terms of fleet requirements. He said the figures described the worst condition.

Commissioner Sanger asked if the buses have windows which can be opened.

Mr. Cohn replied that the windows can be opened in an emergency, but that they are normally closed, and at the present time are built to UMTA specifications.

Commissioner Sanger inquired about the impact of air conditioning on fuel requirements.

Mr. Cohn stated that outside air is circulated through the coach after passing over a set of refrigeration coils. He said it is not necessary to use the full power of the air conditioner.

President Henning noted that any bus available will have air conditioning.

Mr. Cohn stated that the transit industry is trying to have UMTA change the specifications so that there will be an option of opening the windows. He said the LRVs are being bought without air conditioning. Mr. Cohn said only a foreign bus could be obtained without air conditioning.

Commissioner Sanger inquired about the fuel consumption figure on the 25 buses.

Mr. Cohn said motor coaches now get about 3 miles to the gallon, and that the increase would be negligible.

Commissioner McCrea said a reasonable objective ought to be to work down to a 10 or 12 percent float, which is about standard. With the acquisition of the 25 buses the float will be 19 percent in the diesel fleet. He said he is concerned that Muni is over buying on the diesel fleet in the face of a 5-year plan that is beginning to phase out diesel buses.

Mr. Green stated that the numbers given are what Muni should have. If it is proven that fewer buses are needed that will be possible. He said Muni should let experience precede a reduction in numbers, and that Muni will be attempting to replace the diesel fleet in the future.

Commissioner Pilcher commented that apparently Toronto has a 40 percent float and AC Transit has a 20 percent float. San Francisco has a mixed modal problem and the hills. She asked where Muni gets the figure of trying to get a 12 to 10 percent float.

Mr. Green said that is an ideal goal--that Muni is doing well with what it has, but there is always room for improvement.

Mr. John Elberling of CAPTrans, stated that the film ended with "the beauty of common sense", but that something basic has been missed in that this bus is another prototype and is not in service right now.

Mr. Cohn said it has been in service 7 months.

Mr. Elberling said that is not long enough to obtain a history. He commented that Muni purchased AM Generals when only a few of those were in service, and that bus has turned out to be performing poorly. The manufacturer has discontinued making these buses. He said it must be asked at some point why Muni has to be one of the first purchasers of equipment to come on the market. Muni has done its duty with LRVs and electric buses. He said UMTA is doing the same thing to motor coaches that it did to streetcars. There are general specifications not based on operating experiences. Mr. Elberling said this decision should be put off for ten months. Regarding the float questions, Mr. Elberling said if Muni is going to maintain 51 coaches to service Candlestick Park, justification should be made to the Board of Supervisors and the taxpayers.

Mr. Cohn agreed that AM General is not producing coaches at the present time. He said they have produced over 5,000 coaches, and when Muni bought 100 coaches there were approximately 800 in service. AM General sent Muni staff a letter stating the company is not building buses because of the cost of retrofitting their plant, or the alternative of waiting until the Transbus is mandated. They did not wish to tool up twice. AM General is still manufacturing articulated coaches and trolley coaches. Muni is not

buying an untested coach. These buses have been on the road in Atlanta for two months, where 12 are now in service. There have been orders for 1220 of these buses, and San Francisco is at the end of the delivery list.

Mr. Maurice Klebolt of CAPTrans stated that CAPTrans opposes the acquisition of these 25 buses. They are an outgrowth of an UMTA grant in 1974. He suggested that a resolution be adopted that San Francisco's representatives in Washington, D.C. lobby UMTA to include the necessary options to the standard vehicle to suit the needs of San Francisco. He said this is a common denominator vehicle, and he does not think it will have the "horses" to pull the Sacramento Street grade. He said Greyhound is in the transit coach manufacturing business but was not invited to bid. The film was redundant in that it was made by Rohr Industries, and Rohr has "ditched" the whole project and sold their rights to Grumman. Grumman is "running the show" through its subsidiary, Flxible. He said UMTA and DOT must be lobbied to allow for open windows, etc. on these buses, and the only people who can do that are our Congressmen in Washington.

President Henning asked if the vehicle is under powered.

Mr. Cohn said that is not a true statement. The vehicle is a Detroit diesel and is turbo-charged. It has been checked and will make the 19 percent grade on Sacramento Street with a full load.

He said if this were not true he could not face his mother, who rides the 55 Sacramento line.

Mr. Klebolt said perhaps a good approach would be to form a consortium through RTA to buy 300 or 400 buses, thereby possibly obtaining a lower unit cost.

President Henning commented that it costs \$47,000 to deliver 25 buses.

Mr. Cohn said sales tax is not paid on delivery charges. The coaches are built in Ohio, and it will cost \$47,000 to have all 25 buses driven to San Francisco.

Commissioner McCrea asked if the handicapped community would feel the Commission had betrayed its commitment if the decision were made not to buy these buses but to embark on a retrofitting program.

Mr. Edmonds replied in the negative. Mr. Edmonds stated that staff missed the point in communicating with the press. He said if it is explained that the primary reason for these buses is not for the handicapped it will be all right.

Commissioner Pilcher stated that to date only one representative of the handicapped community is involved, and she is apprehensive in terms of acting on this proposal with input from only one person.

Mr. Edmonds stated that the policy is acceptable to the elderly and handicapped community, which has had good rapport with Muni. He said a series of meetings were held on this topic.

Mr. Lawrence B. Martin, President, TWU Local 250-A, stated that the union agrees with the needs of the handicapped, but feels that the matter should have more research. Retrofitting the old fleet of buses would be a waste of taxpayers' money. Muni should consider putting some type of lift on the trolleys.

Commissioner Sanger asked if it has been determined whether it will be feasible to retrofit the front door of electric trolleys for a lift.

Mr. Cohn said this could be done, but he would not recommend the TDT lift, as there are better lifts on the market.

Commissioner Sanger asked if the Vapor lift is more promising. Mr. Cohn replied affirmatively.

Responding to a question from Commissioner Sanger, Mr. Cohn stated it would be prudent to wait for the completion of the 18-month study. He said one of the AM General coaches is to be retrofitted, but there is a problem with the Vapor lift in that it does not fit too readily into the ANG coach.

Commissioner Flynn made a motion to adopt Resolution No. 78-0356, and Commissioner Pilcher seconded the motion.

Commissioner Sanger said he thought it was a mistake but he would vote for it because this is a "very late stage in the game and every Commission is entitled to a mistake." He said he hoped this would be the last time for purchase of buses with non-opening windows, and that this program is a violation of the spirit of the POM study and the 5-year plan for electricics. He said too many objectives have been combined.

Commissioner McCrea said he would vote against the proposal, and that there is a better alternative. He said he does not think Muni needs buses to augment the diesel fleet, and that a better way to begin to address the problems of the handicapped would be to retrofit trolley coaches. For a lower cost Muni could buy the ability to get experience and a time table. This would be more consistent with Muni's long term commitments.

On roll call, Commissioners Henning, Pilcher, Flynn, and Sanger voted "aye". Commissioner McCrea voted "no".

President Henning directed that a status report on retrofitting be submitted to Commission in two months.

Commissioner McCrea commented that one issue must be addressed immediately.

A letter was sent by the handicapped community to Muni staff with respect to the incompatibility of design of the LRVs for any kind of handicapped access.

President Henning directed that this matter be the subject of a staff report in two weeks.

President Henning also directed that staff bring a resolution to the Commission meeting of September 12, 1978, urging the Board of Supervisors to go on record to urge UMTA to consider energy demands and to allow options such as no air conditioning.

Resolution No. 78-0357--Supporting the Municipal Railway recommendation to establish inbound and outbound stops at Broadway and Powell Streets on the 30-Stockton Express between 10:00 a.m. and 4:00 p.m., and the deletion of stops at Stockton & Clay northbound, and Stockton & Sacramento southbound.

Commissioner McCrea asked how many people now riding the 30-Express line use the stops at Clay and Sacramento Streets.

Mr. Green replied that figures are not available, but the history is that people living in Visitation Valley requested that stops be placed at those locations. Under the recommended plan, instead of stopping at Stockton and Sacramento Streets, the southbound bus would stop at Stockton and Clay Streets. Patrons would continue to be served.

Commissioner Sanger asked if the PUC is supporting Department of Public Works action.

Mr. Green replied that Commission action is necessary before DPW can put stops at certain points.

Commissioner Pilcher commented that she is in agreement with the proposal, but is distressed because there are no figures. She said she hoped a policy is not being set which would permit adding stops to express lines for the benefit of a few people.

Commissioner Flynn commented that this bus line goes out to his Assembly District. He said the bus keeps moving, and he does not think it would be germane to know how many people get off at a certain corner.

Commissioner Pilcher said stops should not be added for express bus lines except at transfer points.

Mr. Lawrence B. Martin stated that the union agreed to the proposal after going to the community.

Commissioner Sanger directed that a phrase be added to the resolution indicating that this action is being taken until such time as adequate local service is added to this corridor.

ITEM NO. 13--Approving supplemental appropriation, amount \$106,455, to provide funds for expanding the scope of the Professional Services Agreement with UTDC to include an analysis of the organizational and administrative effectiveness of the Municipal Railway; and directing the General Manager of Public Utilities to proceed with the proposed amendment of the Agreement with UTDC upon approval of the requested supplemental appropriation.

Commissioner Pilcher asked what experience UTDC has had in doing management studies.

Mr. Warren Bartram of UTDC explained that UTDC has had previous experience at the Municipal Railway prior to the present contract. He said that UTDC has not done many management studies of other transit systems.

Commissioner Flynn stated that the \$10,000 study previously done for Muni was a very poor job, and based upon that study he would lobby all over town to keep UTDC from getting this contract.

Commissioner McCrea added that the UTDC proposal was vague at best. He said this study was requested because the Commission would like to have verification that the organizational and administrative effectiveness of Muni is as cost efficient as possible, or that there are things to be done to make it so. He noted that he did not find anything about goals to be achieved in the proposal.

Mr. Bartram said his organization feels the most practicable way to perform the work would be to bring in experienced people from other transit operations who have spent time working for efficient systems. By having them see management procedures and methods of operating the Municipal Railway they would be able to pin point areas where efficiency could be improved or reorganization of staff could be undertaken.

Commissioner Pilcher asked if these were retired people.

Mr. Bartram explained that two of them are retired, but others are working on transit properties. It is hoped that their experience can be applied to the Municipal Railway in order to find areas where problems exist or improvements could be made.

Commissioner Sanger commented that it would be possible to have experienced people come in and look over the shoulders of staff. He asked if the Commission could be given an advance specific scope of evaluation. He said \$70,000 is a great deal of money to have 11 or 3 or 6 people come in and look at how staff operates.

Mr. Bartram said there will be long range planning, and planning to establish rules for organizational structure.

Commissioner Sanger stated that the proposal does not indicate how that would be accomplished. He said he is dissatisfied with proceeding in an open ended fashion with people ~~about~~ whose experience the Commission knows nothing. He said he would have to insist on a detailed scope of work, with either ~~the~~ **the ability to** rely on the quality of personnel, or a proposal that is coherent.

Commissioner Pilcher mentioned the Transportation Commission Charter amendment on the ballot which would reorganize top level staff of Muni. In view, of this, she asked if Commission wishes to proceed at this time with the UTDC proposal.

Commissioner McCrea said he asked to have the study. He said if the ballot issue passes real issues will have to be addressed, and it is essential that work go forward. He said he was disappointed in the proposal because it is too expensive and too vague, and would like UTDC to redefine it. He said he would like to ask the Mayor's office to put together some type of pro bono team using Southern Pacific or other freight lines who could provide some of the same skills. He said the Mayor's Office has been active in trying to solicit this type of help on a pro bono basis.

Mr. Wentz stated that on August 21, 1978, a letter was received from the Mayor's Office indicating that people have been lined up from the private sector to help. Each department is being asked to offer up projects for consideration. It is not known which projects will be selected.

Commissioner Pilcher commented that 4 to 6 months ago there was such a program, but that Muni projects are still waiting.

Commissioner McCrea stated that that was a team of 4 or 5 people in the Mayor's Office.

Commissioner McCrea proposed that UTDC report back with more specifics, and that Mr. Wentz ask the Mayor's Office what can be done on a pro bono basis.

Commissioner Flynn commented that this proposal includes engineering and maintenance, which is part of the scope of the job they are presently doing. He stated that if UTDC is to come back numbers and costs should be submitted, and that the price is far in excess of what it should be for someone in-house. If the ballot measure passes, the new Commission on Transportation may wish to do something on its own.

Commissioner Sanger said that given the considerations of time and scope it might be more useful for UTDC to provide some options with different levels of effort. It would be useful for a new Commission to have information of this type, but the new Commission might not wish to risk as much City money.

Mr. Maurice Klebolt stated he was happy to see that Commissioner Flynn had "unloaded". He said he did not think the proposal in any form would move through the Finance Committee. It would be more prudent, he said, to table it until after the election.

President Henning directed that this item be deferred to the PUC meeting of September 12, 1978, and that staff report back on the

proposal of the Mayor's Office, and that UTDC be more specific in their proposal if they desired to pursue it.

Resolution No. 78-0359--Establishing a policy with respect to issuance of Municipal Railway passes.

Commissioner Pilcher asked why deputy coroners, fire fighters and emergency hospital employees are on the list to receive passes.

Mr. Green replied that fire inspectors in uniform do ride Muni.

Commissioner Pilcher stated that health inspectors, DPW inspectors and almost everyone who works for the City could be included if this policy is pursued.

President Henning commented that tokens can be obtained at the Social Services Department.

Commissioner McCrea noted that a far larger group of people to be eliminated are the retired Muni employees.

Mr. Green stated that giving retired Muni employees passes is traditional, and were Muni to stop this practice it would be the only transit property in the country not giving retired employees passes.

President Henning stated that he understands the Sisters of Charity were given special consideration because of their services during the fire and earthquake, and that this is 72 years of tradition.

Mr. Green commented that there are 52 members of the Sisters of Charity in San Francisco.

Commissioner Sanger asked why auxiliary police reserve officers in uniform receive passes.

Mr. Green said they direct traffic and parades, and use Muni. He added that patrol special officers in uniform aboard vehicles serve as a deterrent to crime.

President Henning asked how many people are involved.

Mr. Green said that over a period of years a large number of people are riding free. The 64 people listed are only the tip of the iceberg. It is not known how many people in the Police Department are given free rides by Muni. The Police Department itself does not know the number of people who have been given stars. Muni staff has tried to find out, but the Department itself does not know.

Commissioner Pilcher moved that the resolution be adopted with the removal of categories 4,5, and 7 on the last page of the resolution.

Commissioner Flynn said he would like the Sisters of Charity to be given passes.

Mr. Green stated that the Sisters of Charity have had the privilege for 72 years, but there is now a problem of identifying them.

Commissioner Flynn suggested issuing 10 passes to the Sisters of Charity for all of them to use.

Mr. Green said he would do so.

Mr. Maurice Klebolt commented that Supervisor Harvey Milk has suggested that all City employees be given fast passes.

Mr. Klebolt said he would like to suggest to Mr. Green that the elected people of CAPTrans be given passes, and that there are only five of them. He said that all agencies in the County give their elected people a pass.

Commissioner McCrea seconded Commissioner's Pilcher's motion that the resolution be adopted with the removal of categories 4,5 and 7.

This motion was unanimously adopted by the Commission.

ITEM NO. 16--Discussion of Municipal Railway report on fare alterations.

Dr. Bill Henderson, Special Consultant, Municipal Railway, stated he would be happy to answer questions on a report he prepared for Mr. Rod Bartholomew.

Commissioner McCrea stated that one of the things to be dealt with is whether there should be some changes in the rules. He said the suggestion that there be more training is a good one. He said there are vague guidelines right now as to what operators should do if they think someone is not putting in the correct fare. He asked if there should be some rule taking the initiative from the drivers.

Mr. Henderson stated that each time a rule is imposed on the driver it is adding to his burden. The driver is asked to be a fare collector and examine transfers and perhaps operate according to some rule. At the same time he has to operate equipment safely. If he does one of the jobs correctly it is going to be at the expense of another. Mr. Henderson said that is why he made the recommendation to eliminate transfers or fares. If the operator is given a rule that he is responsible for collecting fares and is not to move the vehicle he has to be a policeman. During rush hours that policy would be disastrous.

Commissioner McCrea said Muni is being criticized for lax fare collection and may have to increase fares.

Dr. Henderson stated that this problem cannot be eliminated unless fares are eliminated. Assuming there are fares, Dr. Henderson said a hierarchy would have to be set up that under certain conditions the driver has certain options. During a run when it is not crowded the bus does not move until fares are collected. If that same problem occurs during a rush hour it would be wrong to try that option.

Commissioner McCrea asked if this procedure would exert psychological pressure on the drivers.

Dr. Henderson replied that he did not think so.

Commissioner Sanger commented that the aim is to decrease violence and to diffuse situations when they occur. He noted that Dr. Henderson's suggestions go beyond that point.

He also stated that the suggestion should be passed on to whoever does the study on financial needs and future fare structure.

Mr. Lawrence B. Martin, President, TWU-Local 250-A said that the union is in total agreement with eliminating fares and/or transfers, as this would make the job much easier.

Dr. Henderson stated that training operators on how best to approach different situations could be included. He said this would help, but would not solve the problem to any great extent.

Mr. Maurice Klebolt said CAPTrans has made comments to the Board of Supervisors which have been passed on to the Commission. He said CAPTrans feels that Mayor Moscone should step out and "rap" with the public about what he thinks about the conduct on Muni vehicles. He would hope that the Commission would "bend the Mayor's ear."

Mr. Martin commented that in the program being put together by the union the Mayor's Office along with the Police Department and the District Attorney's Office have already agreed to take a public stand to promote the program openly.

ITEM NO. 17--Approving budget assumptions and directing staff to use them as the basis for preparation of budget documents for the fiscal year 1979-1980 which are due to be filed with the Commission by November 21, 1978.

Commissioner McCrea commented that in order to have any validity the assumptions should have public comment and review, particularly with respect to the Municipal Railway.

Mr. Wentz advised that they were sent to key organizations several days ago, such as CAPTrans, Muni Coalition, Spur, etc.

Mr. Klebolt said he had not received them.

Commissioner McCrea asked that this item be put over to the PUC meeting of September 12, 1978, for discussion, and public comment.

Mr. Wentz advised that staff will have to begin the budget process before that time. He said staff will assume the assumptions will be approved, and if there is a last minute change adaption will be made accordingly.

Mr. Dennis Hyde of the San Francisco Muni Coalition said his organization has received the budget assumptions.

THEREUPON THE MEETING ADJOURNED: 5:05 P.M.

Romaine A. Smith
SECRETARY

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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

SPECIAL MEETING

Public Library, Civic Center

Lurie Room

2:00 P.M.

September 11, 1978

NOV 10 1978

DOCUMENTS DEPT.
S.F. PUBLIC LIBRARY

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith
SECRETARY

Call To Order: 2:08 p.m.

Present: Vice President Claire C. Pilcher, Commissioners Peter McCrea, John M. Sanger

Absent: President John F. Henning, Jr., Commissioner H. Welton Flynn

Vice President Claire C. Pilcher presided over the meeting in the absence of President John F. Henning, Jr.

Discussion with officials from Boeing Vertol regarding the completion and delivery of the Light Rail Vehicles.

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz

Mr. Wentz introduced the following representatives from Boeing Vertol Company:

Mr. Arthur Hitsman, General Manager for Surface Transportation Systems.

Mr. Howard Neffner, Vice President, Contract Negotiations and Pricing.

Mr. Frederick Nietzsche, Director of Legal Department.

Mr. Bruce C. Jay, Manager, Public Relations.

Mr. John Cord, Manager, Marketing, Surface Transportation Systems.

Mr. Wentz also introduced Mr. R.D. Touton, Jr., of Louis T. Klauder Associates.

Mr. Wentz explained it was felt there would be no reason for formal presentations, and that the Commissioners could take charge and direct questions to representatives from Boeing Vertol Company.

Commissioner Pilcher explained that for the benefit of members of the public who have not had an opportunity to look at the documents Mr. Touton would give a brief "run down" of what is contained in the report.

Commissioner Pilcher commented that the term "in process" is used in the report. She asked the meaning of the phrase, "to the extent that an approved technical approach is in process."

Mr. Touton explained that "in process" means there has been a series of discussions over a period of several months, or it could mean an initial meeting. It could mean the first implementation of a design change, or it could be an actual test on the property in Philadelphia or at Boeing Vertol, with a logical progression of solutions to be measured at milestones, leading to the ultimate resolution of changes.

Mr. Touton explained that the first production car has arrived, and consultant is eager to proceed with placing Muni Metro in service. A great deal of progress has been made in the last 4 or 5 years, and there have been thousands of problems. Consultant is working to bring these down to a minimum number. Mr. Touton said it can be safely stated that San Francisco is getting a better car than Boston initially obtained. He said the 50 problems that were "in process" have been distilled down to 10.

One of the 10 problems is slippage on wet track, and Boeing Vertol (BV) is to come up with a device to correct this. On September 8, 1978, a letter was sent to Boeing Vertol to proceed with prototype hardware, and testing of circuits.

Boeing Vertol has more work on the propulsion and motor cooling systems. BV has developed a test in Boston, but data has not been received from that test.

The unusually large doors are susceptible to problems and many improvements have been made. A final resolution has not been reached as to whether or not the passenger is properly "sensed" so that the door does not close on him.

There are minor problems with the braking systems. There are 3 separate braking systems--the motor itself, track brakes, and the friction brake. There is no question of safety, and BV is taking corrective action.

Mr. Touton stated that the vehicle is very complex--more so than the PCC streetcar or a bus, but with modern electronic devices it should be much more reliable. He said there is some disagreement as to whether maintenance information provided by BV is adequate. Resolution has been reached on traction motor maintenance and satisfaction is expected on all electronic component data.

Mr. Touton stated that the San Francisco cars were the first ones originally planned to be produced. The car bodies were made in Japan and brought to Philadelphia early in the program. However, the Boston cars were produced first. Some of the car bodies had been stored in an outdoor environment where salt is present, and consequently they sustained serious corrosion. A corrective plan is being developed to replace damaged metal with new pieces. This problem was not of BV's doing.

Three (3) items have not yet been resolved, according to Mr. Touton. One of these is gear box casting quality-- oil is leaking, and the source has not been fully identified.

Commissioner McCrea asked why this can not be resolved.

Mr. Touton explained that it is a difficult problem to ascertain where the oil is coming from. He said BV staff does not think that oil in the motor is a serious concern. Consultant feels it is a serious concern, and interferes with the operation of the motor. Also, the oil must be replenished.

Mr. Touton stated that derailment and rail wear is another problem. He said there were no in-service derailments of the 2 test cars in San Francisco. However, there have been 112 derailments in Boston, perhaps due to Boston's track structure. Boston is going to initiate a third party study. There is concern in San Francisco that the rail in streets may wear faster than it should. Streetcar rails should last 20 to 25 years, but the present design of the truck is likely to cut that life in half. Mr. Touton stated that at the moment consultant and BV are on a "face off" position on this item.

Mr. Touton said the third problem is traction motors. This is the main motor that propels the car, and there are two in each car. This motor has never been used before in the United States, and is very unique in a new design with technical advantages. From experience in Europe certain design tolerances should be in this motor to protect it from over heating and spinning around too fast.

In the opinion of Klauder Associates these have not been properly applied to this motor. A traction motor should last 8 years before needing an overhaul. This particular motor will last perhaps 4 or 5 years. The overhaul would cost \$5,000 or \$6,000 per motor, which would be \$10,000 or \$12,000 per car. With 100 cars in the fleet this would add up quickly. Mr. Touton stated that consultant does appreciate that Garrett Air Research has built many fine things for the United States, from missile programs to home air conditioners. He said consultant would like a commitment from Boeing to provide additional data. If the data does indicate a problem, it is expected that BV should extend the warranty period.

Mr. Touton said the car is attractive to passengers, and is strong enough. There is a problem now with the vehicle being out of service and the cost of that maintenance. Consultant is addressing this and also long term maintenance.

Commissioner Sanger asked about the distinction made between an open technical item and an unresolved funding item.

Mr. Touton explained this has to do with the contract and specifications. If there is a particular technical aspect of the car that is unresolved consultant can direct BV to do something else. BV has responded to a number of these quite properly, but this does leave the funding issue open. A determination has to be made as to whether or not the issue met specifications and who should pay for the change.

Commissioner Sanger said in the case of track, a letter from BV stated the item had been redefined as a funding issue.

Mr. Touton said track is not lasting as long and some change must be made but exactly what is not known now. A study must be made and paid for and after that costs of correction would be an issue. In the case of traction motors, he said Klauder wanted to give BV an opportunity to prove Klauder is wrong.

If BV feels it is properly designed, there should be no objection to extending the warranty.

Commissioner Sanger said he wondered if Klauder would agree it is a funding issue if the problem is not resolved.

Mr. Touton said the issue would be redefined.

Mr. Arthur Hitsman said he would address the three (3) items of particular concern.

He referred to the gear box coupling and said there is only one place oil comes from, and that is the gear box. Oil will come out of the gear box and go lots of places. Some of the oil does enter a portion of the motor. However, BV has no evidence that there is any oil leakage due to porosity of the gear box casting.

He said Rockwell Corporation has indicated that there is an error in assembly. The seals on the shaft going out of the casting failed to receive lubrication on assembly. They were burned and that is the cause of the leakage. All of the San Francisco gear boxes, including those on the car presently in San Francisco, have had the lip seal replaced and lubricated properly, and there is no oil issue.

Through failure analysis the problem has been identified and is corrected on all San Francisco vehicles prior to delivery. There were some failures of that device, but none related to casting porosity. He said BV continues to analyze failures, but he sees no technical issue in this area. Boeing Vertol will continue to monitor in-service performance of gear boxes. There are four (4) systems in vehicles--propulsion, auxiliary power, doors and brakes which call for in-service reliability evaluation of 50 cars for two years. The gear box is part of the propulsion system.

Commissioner Sanger asked if oil leakage is continuing.

Mr. Hitsman said there is and will be no leakage. However, it is comparable to the transmission in one's car. It doesn't leak today, but 10,000 miles from now it may leak. There are 50 cars that will be monitored for two years. There is a two-year warranty period on the gear box--60,000 to 80,000 miles.

Commissioner Pilcher asked what happens after two years if there is a difficulty.

Mr. Hitsman said BV would feel it has met the contract obligation and the warranty had expired.

Commissioner Sanger asked how long it would take a porosity problem to show up.

Mr. Hitsman replied, "immediately".

Mr. Touton stated there are oil traces in the new gear boxes in cars supplied to Boston two weeks ago. He stated that BV staff says it is a trace of oil, but Klauder can not accept that, and further analysis must be done in Boston. The gear box has several seals, and consultant is concerned that this is indicative of a problem which may show up in two or three years. There is concern as to whether the seals will hold up for five years.

Mr. Touton stated that BV will correct all defects eventually, but does not always respond to problems when they first appear. There is a problem in identifying existing problems. The problem with sliding had to be shown in Boston before BV would address it. The concern now is to minimize the possibility of Muni having an unreliable vehicle.

Commissioner McCrea commented on the warranty for the gear box, and asked if there should be a failure a year from now, and BV or Garrett does come up with a re-design, if the warranty begins again.

Mr. Hitsman replied that the warranty does not re-start. He said the contract has a standard warranty clause. In addition, there is a reliability requirement for the propulsion system, which states that a failure will be fixed "across the fleet" if the reliability requirement is not met.

Commissioner McCrea asked if BV is released from making good on the problem if there is a failure and that failure is not resolved in two years.

Mr. Hitsman replied that the warranty applies to direct replacement, and supplier does not necessarily redesign.

Commissioner McCrea commented that for systems such as seals the supplier is not going to replace the gear box. He asked if Muni would begin picking up the bill after two years if the problem is not resolved by the supplier.

Mr. Hitsman replied that it is a matter of when the change is identified. He said he did not agree with Mr. Touton's appraisal of BV's reaction--that BV has reacted in a businesslike manner.

Commissioner Pilcher said the statement in the report is that BV still maintains material is suitable for the job it does even if it does not come up to specific requirements.

Mr. Hitsman explained that the statement referred to does not apply to leakage, but refers to the casting quality of drive coupling in relation to porosity. He said there has been a change made in a large portion of couplings, and in 75 percent of them there will be no question of their ability to meet specifications. This has not been a problem and there have been no failures because of it. Once in the system they are to be measured by their ability to perform. He said this is not a fatigue type failure, and that casting failures have been corrected and were not related to porosity. Regarding the gear box leakage problem there was a quality control problem. It will be fixed across the board, and has been fixed in all San Francisco cars.

Commissioner Pilcher asked why gear boxes were not corrected in Boston. She commented that San Francisco has no way of knowing if they will work better with corrections.

Mr. Hitsman explained that the problem in Boston was with some gear box leakage. A period of time is required to analyze the failures as the gear box is in a position which requires it to be removed from the truck. Boston did not wish to take the cars out of service. Mr. Hitsman said there have been no gear box leakage problems in the BV plant. When cars were available corrections were made.

Commissioner Sanger commented that casting quality might be related to leakage.

Mr. Hitsman said there is no relationship, and that the coupling is outside of an oil area.

Mr. Touton stated that oil leakage is the problem consultant is concerned about. He said the gear box casting quality which was a problem is not a significant one. Emphasis should shift to oil leakage within the gear box.

Commissioner McCrea noted that on the 50-item list, item 13 is entitled "gear box leakage" and is marked "resolved".

Mr. Hitsman said this was on the basis of the gear box seal revision made by BV, prior to shipment.

Mr. Touton stated that it was thought to be resolved, but trace amounts of oil have shown up.

Commissioner McCrea asked, "Assuming that we now agree that the problem is gear box leakage, and assuming that cars coming to San Francisco are corrected, when will you be in a position when you have enough retrofits so we will be able to use the Boston experience to see that it is rectified?"

Mr. Hitsman said he thinks the information will be here in San Francisco before it is in Boston on the effectiveness of that change. He added that BV feels that the gear box leakage is resolved.

Mr. Hitsman said the traction motor problem is a problem of agreement between BV and Klauder as to whether the insulation system used in the traction motor has adequate life. He said BV has complied with every test and analysis that is required, and there is no indication anywhere of any failure of the insulation system. BV sees no reason to be subjected to whatever risk is involved on an extended warranty on the basis of no indication of a problem.

Commissioner Sanger asked if failure analysis had been done. Mr. Hitsman replied there is no failure of the insulation system. There has been a quality control problem on one motor--NOT a long term deterioration due to high temperatures. He said the only area being discussed in terms of disagreement is in the insulation system.

Commissioner McCrea noted that Mr. Touton's primary concern stems from having no experience with this type of insulation, and a fairly detailed computer analysis which indicated that some time in the future there was reason to believe there might be problems which could not be detected this early. He asked how better data could be obtained.

Mr. Touton stated that insulation is only one of many of the traction motor problems, and it is incorrect to say Klauder is only concerned about insulation in terms of warranty. There are serious questions about durability, about electrical components and a number of concerns in the traction motor area. The extended warranty was an approach for all of these. At the June 23, 1978 meeting it was agreed that consultant would research files and relay items not completely resolved. The letter was transmitted to BV about the 1st of September, 1978. The agreement was that BV would respond and state what it is doing or why it is not obligated to correct these items. As of today there has been no response from BV, and no systems failure analysis on motors. To look at a single motor is not a failure analysis. Consultant's letter addresses concerns since May, 1973, regarding the ability of these motors to perform on the Twin Peaks Hill.

The "N" line has the most hills and the most curves. There is every evidence that these motors will very likely shut down half way up the hill due to high temperatures. It is questions like these that have not been answered by BV, and they have been known since the inception of the program. Temperatures rise much higher in the motor than the design would indicate. Regarding the insulation system, not all elements are rated to accepted standards. The materials provided in this vehicle do not meet established standards.

Regarding the protective device for motors, it is a variable situation. Some motors may stop sooner than others. There are differences of maintenance manual vs. design specifications. Motors cost \$50,000 each. The motor is not going to blow apart, but there is a question of its ability to survive over the long haul. Consultant requested a test to prove efficiency of design, and an increased warranty.

Mr. Hitsman stated the test has been carried out.

Mr. Touton noted that it has not been performed in the Twin Peaks environment.

Mr. Hitsman said Muni is free to run any test that San Francisco requires. He said BV has completed its contract requirement, and there is no evidence of any problem. BV has offered to participate in testing and would expect to be funded for that participation. He stated that the matter to be resolved is funding--it is either pay for some additional testing or pay for an additional warranty. He said BV has satisfied its contract requirements.

Commissioner Pilcher asked what happens when BV decides it has met the specifications, and San Francisco decides they have not.

Mr. Hitsman said there is a disputes clause to handle that matter.

Mr. Touton said he assumed the motor will be tested in the Twin Peaks grade. As with the gear box, it is a cumulative type of thing. He said he believes that the specifications clearly state that Muni may ask for additional tests.

Mr. Hitsman stated that the production car is in San Francisco today, and that for 30 days after the car arrives, San Francisco is allowed to run any test it wants at its own expense--this is what the contract says.

Mr. Touton stated it is Klauder's opinion that the BV motor temperatures will exceed those suitable for the insulation system, and that the insulation system contains elements less than those promised by Garrett through BV. Temperature sensors are not adequate. Garrett built 40 motors before first article inspection. The original agreement was for Garrett to test 5 motors, and they tested 4--the fifth was run without any notification for Klauder observation. There have been bearing failures. Sixteen motors have failed in Boston. A typical number of failures would be 2. Failure could be of any type.

Commissioner McCrea said it is important, because San Francisco has a system that comes to a complete stop with a broken down car. Boston can place PCC cars in service, but San Francisco does not have that luxury.

Mr. Hitsman commented that BV has a significant investment which it intends to support. He said no one will guarantee there will never be a motor failure. That is why there is coupling of one car behind the other. There are ways of recovery and failures will occur. BV intends to meet the specifications. There have been a number of errors attributable to the propulsion system over a 2-year period and BV intends to meet the requirements.

Commissioner McCrea stated that he senses that Mr. Touton is not as sanguine as Mr. Hitsman that the design of the motor is going to meet specifications.

Mr. Hitsman suggested running a test to resolve the matter. He said BV would participate in the test.

Commissioner Sanger asked Mr. Touton if he is going to make a recommendation to resolve the matter. He said BV would participate in the test.

Commissioner Sanger asked Mr. Touton if he is going to make a recommendation to resolve this problem before October, 1978.

Mr. Touton asked Mr. Hitsman if he is going to respond to the letter, and Mr. Hitsman said he would as soon as he receives it.

Mr. Touton referred to the agreement of June 23, 1978, whereby Klauder would research its files, and BV would give its considered opinion regarding motors--insulation, components, bearings, etc.

Mr. Touton stated he still feels BV will produce properly. It is his opinion that Garrett's motor is inadequately designed in terms of withstanding long term wear, and will require additional funding every 4 or 5 years and disruptions of service. If there is an in-service failure, no coupling is going to salvage that rush hour. It will be necessary to get the car off the line in order not to ruin the next rush hour. He said Klauder as consultant has gone too far with Garrett in terms of broken agreements and improperly submitted data, which is characteristic of that particular supplier. He said this will be discussed at another time.

Mr. Hitsman commented that the price of the motor is less than \$10,000.

Mr. Thomas Mullaney, Project Manager, Municipal Railway stated that BV has promised failure analysis of all 16 failures, but Muni has not seen this analysis.

Mr. Hitsman replied that some are "in process".

Responding to a question from Commissioner Pilcher, Mr. Hitsman said they are in a process of going from the point of failure to the point of analysis. He said he is sure that analysis has been started on all of the failures. A report is completed on about 6, and staff from Klauder has been in residence during disassembly.

Commissioner Sanger commented that in the matter of its being agreed it is a funding item rather than a technical item Klauder has been more than generous as a technical problem is involved.

Commissioner Pilcher stated that BV's risk lasts for one year.

Mr. Hitsman noted that it has lasted for more than one year.

Mr. Wentz asked Mr. Touton what Muni should do.

In summary, Mr. Touton said there are unanswered questions. There has been no response to the seven specific questions and the eight miscellaneous general questions in the letter of September 1, 1978.

He said Muni should not participate in the cost of testing. The vehicle, presently in San Francisco, should be circulated back and forth over the "N" line and then be run from the Embarcadero no further than West Portal. A load could be simulated with cast iron weights.

Commissioner Sanger asked if BV has under its control equipment required to make the test.

Mr. Touton said the test should be performed more than once--perhaps six trips with two a day. This would include a weeks' time for an operator and whatever support services are necessary.

Commissioner Sanger asked if City is "stuck" assuming that BV continues to refuse to perform testing.

Mr. Touton replied that there is a disputes clause. He said his recommendation is a prompt response to the September 1, 1978, letter. Testing should be conducted. When analysis information is received Klauder will review its recommendation and tell San Francisco whether it is satisfied or not.

Responding to a question from Commissioner Sanger, Mr. Touton stated the next shipment of cars is toward the end of October. He said testing will take a week.

Regarding track wear and derailment, Mr. Hitsman stated the position of BV. He said the specification does not contain any specific requirements and no guidelines. However, there are items in the specifications which control track wear and derailment, such as wheel hardness, wheel profile and axle. There are differences between Boston and San Francisco, the first of which is that track conditions in San Francisco are much better. Rail configuration is a girdered rail. The PCC car operating in San Francisco is itself different in respect to stiffness of truck.

Commissioner Sanger asked about the relevance of the PCC car.

Mr. Hitsman replied that the PCC and LRV experience in San Francisco may be much closer together than in Boston. There is a difference in wheel configuration and track configuration. The experience in Boston with both old and new track is different.

Commissioner Sanger asked if things will be better in San Francisco, and Mr. Hitsman said they would, specifically with respect to the stiffness of the longitudinal system. He said there is a difference in the configuration of the rail which is a girdered rail, and repeated that track conditions are better in San Francisco. Poor track, Mr. Hitsman said, was the cause of 55 derailments in Boston. There is a study program under way in Boston funded by UMTA. BV is lending support by writing a work statement for the test program funded by UMTA. That program will not culminate in a short period of time. It will cost over \$1.5 million and take between 12 and 18 months.

Mr. Hitsman said his summary is that BV has met the specifications in terms of requirements, and that delivery and acceptance should be parallel with the test program worked out by UMTA and MBTA. The Boston experience could be non-relevant, and changes should be addressed after testing.

Commissioner McCrea commented that what is learned in Boston may not be relevant in San Francisco because the situation is different.

Mr. Hitsman replied that the San Francisco configuration will be a part of the test program.

Commissioner McCrea asked Mr. Touton what data will be collected in the next six months.

Mr. Touton replied data will be collected on traction motors and rail wear. It is consultant's position that the truck is not properly designed for San Francisco. He said San Francisco has data on PCC streetcars, and a rail wear measurement program has been established. Muni will be in a position to measure what will happen on new rail. There were no derailments of the 2 test cars here. Track is better, and consultant believes that one could proceed with the operation of a limited number of cars with no safety risk involved. Consultant recommends proceeding with 20 cars and then looking at the situation.

Responding to a question from Commissioner Sanger, Mr. Touton stated that the PCC car is a standard.

Commissioner McCrea said it is important that BV agree that the base data is indeed the condition of the tracks, and that the procedure and program Muni is going to go through will yield data that will be acceptable.

Mr. Touton explained that the project is funded from an UMTA grant that Boston has for its own purposes, and there is no reference to any Muni related tests. He said more discussions would be held with MBTA.

Commissioner Sanger asked Mr. Touton if he has advanced potential solutions.

Mr. Touton stated that Klauder believes the truck rotating stiffness is much greater than that of any LRV designed today. The design has a tendency to stay in that position, and it takes a while to start moving. Normal rotating friction is higher than that in PCC streetcars or any other car in Europe. BV ran tests but did not make the results available to consultant. He believes that BV recently sent some representatives to Europe. The typical non-friction bearing truck assembly is the way this design should go. It is an expensive retrofit, costing \$75,000 to \$100,000 a car.

Mr. Touton said his final recommendation would be to evaluate the performance of the cars for the next six months in San Francisco before accepting any more than 20 cars.

Commissioner Pilcher inquired about under-car body corrosion and the suggested tentative repair procedure.

Mr. Touton explained that the car shells were made in Japan, and after delivery to Philadelphia, resided in a "salt environment" for a number of years. They were coated only in primer paint--not protective paint. Moisture and rust burst the seams in a couple of places and had eaten away pieces of the car body. Corrective action is to replace that metal.

Commissioner Sanger asked why the doors are now on a subsidiary list.

Mr. Touton said there was a design problem in the first place, and BV probably did better than most firms. Consultant is satisfied that BV is addressing this problem. Each City has its own peculiar problems with doors. The door sensor system was set and could get around a person's ankle. It is believed that the inch gets 90 percent of the problem solved. If you can not sense the obstruction, you should be able to remove it.

Commissioner McCrea stated that Mr. Touton went over the maintenance situation and that San Francisco is close to getting cooperation from BV. This matter was at the root of BART's problem. If Muni can not obtain all of the vendor drawings necessary to do in-house maintenance San Francisco has not obtained what it asked for. He asked Mr. Hitsman why BV is reluctant to give these up.

Mr. Hitsman replied that there are some proprietary areas on some of the subcontracts, but every piece of data BV has is available. BV has been reluctant to say it is going to give anything in the world. The intention is to live up to specification requirements and to be paid for anything over that.

Mr. Touton commented that as far as scheduling meetings his staff and consultants have been available. The MBTA requested that a meeting be delayed because of summer vacations.

Mr. Touton stated there is a reluctance on the part of Garrett to provide necessary data to "trouble shoot" circuits. If input and output data could be learned by a few people they could instruct others. Until that data is received, consultant will not consider that BV or suppliers have met their obligation.

Mr. Hitsman stated that BV accepts responsibility for sub-contractors.

Commissioner Pilcher opened the meeting to the public, stating that it is not a public hearing, but an opportunity to educate everyone. She asked that members of the public confine themselves to brief questions through the chair.

Mr. Maurice Klebolt, CAPTrans, asked the position of the Commission with respect to Boeing Vertol's reply to a letter dispatched some weeks ago which states their reply is to SFMRIC.

Commissioner Pilcher replied that the question is moot in that BV is meeting with the Commission.

Commissioner McCrea said he thought it was agreed that BV did not understand the relationship between the Commission and SFMRIC. SFMRIC is not free to act as an independent agency.

Mr. McMorris M. Dow, Utilities General Counsel, explained that under the contract between the City and SFMRIC the inspection, approval and acceptance of the cars is the responsibility of the City. SFMRIC must be held harmless, just as though City were the contractor.

Mr. Klebolt said it would appear there is a magic number when acceptance becomes mandatory. He asked the number of cars which must be accepted when City is "locked into 100". He said he was informed in Boston that it was 12 cars.

Commissioner McCrea said that matter is unique to the financing agreement.

Mr. Klebolt said he was told there would be no diagrams given MBTA until completion of the order. He said there is a problem because BV would rather address the maintenance of the car under its own direction and not have Muni staff going in and upsetting the record. He said he understands there will be no technical data received until all cars are accepted.

Mr. Hitsman replied that BV can conduct no maintenance on vehicles at MBTA. Manuals and data are provided. BV employees are there to effect delivery from BV to Boston, and to provide technical support. BV does no "hands on" work in Boston or San Francisco.

Mr. Klebolt asked if vehicles are going to be accepted, run through a 30-day test period, and then mothballed until next July.

Commissioner Pilcher stated there is a problem in terms of mixing two systems together, but training on the cars would take place.

Mr. Farrel Schell, LRV Program Director, stated that track. power, operators, fare collections are very important to LRV operation. Electrification testing has been hampered because of damaged track. Cars could be run at a certain time on a certain track. That is being done today in accordance with the schedule.

Commissioner McCrea commented that to place cars in service before June 1, 1979, would require running them on surface lines with PCCs.

Mr. Schell commented that in order to run the car which has been delivered it would be necessary to put a trolley pole on the car itself.

Responding to a question from Commissioner Sanger, Mr. Schell said that mixing is not a problem if power can be picked up.

Commissioner Sanger asked where the test will be done with regard to the traction motor problem.

Messrs. Schell and Green explained that it would be conducted in Twin Peaks Tunnel in the area between Eureka Station and Forest Hill Station. Mr. Green stated this would require the repair of damaged track facilities in the vicinity of Castro Station.

Commissioner Sanger commented that this test should be done soon.

Mr. Schell stated that BV is still preparing car 1222.

Mr. Hitsman said BV's plan is to turn the car over to the Muni next week.

Frances D'Emilio of the Chronicle inquired about the delivery schedule.

Mr. Hitsman said the next shipments from the BV plant will be two cars in October, ten in November, and ten in December, 1978. Ten will be shipped in January, ten in February, twelve in March, ten in April, ten in May, twelve in June, four in July and nine in August, 1979.

Commissioner Pilcher explained that the consultant examines each car on BV property. A car is not approved for shipment until it meets City specifications, or exceptions are listed.

Commissioner Pilcher asked Mr. Dow if he could advise the Commission regarding issues raised as some of the questions are legal questions.

Mr. Dow replied that he would do so by means of a memorandum.

Commissioner Sanger noted that there is a combination of legal and other issues. He stated that the Commission needs various scenarios, and needs to know what alternatives there are. Commission needs this information through the combined efforts of Mr. Dow and consultant.

Commissioner McCrea stated he would like to receive a memo that both legal counsel and consultant support and agree with which can be reviewed by Commission in about a week.

Commissioner Pilcher directed that Messrs. Dow and Touton communicate with each other.

Romaine A. Smith
SECRETARY

THEREUPON THE MEETING ADJOURNED: 4:25 p.m.



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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:30 P.M.

September 12, 1978

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:35 p.m.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Welton Flynn, Peter McCrea, John M. Sanger

The minutes of the regular meeting of August 22, 1978 were approved.

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0362 HH Authorizing bid call for HH Contract No. 581-California Street, Eighth Avenue and 32nd Avenue, Underground Duct System. Estimated Cost: \$660,800 (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0363 HH Accepting as satisfactorily completed work under HH Contract No. 570, Surface West Portal and Priest Reservoir Roads and Area in Moccasin Village; approving debit modification of \$1,134.43; and authorizing final payment of \$11,472.67 to George Reed, Inc., Contractor.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0364 HH Accepting as satisfactorily completed work under HH Contract No. 546, Randolph Substation, Construct Building and Install Equipment; approving credit modification of \$3,267.93; and authorizing final payment of \$22,879.32 to Kaplan-Jones, Joint Venture, Contractor. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0365 HH Approving modification in the debit amount of \$27,979.03 to provide funds for additional work under HH Contract No. 549, Bryant Substation and Power Control Center, Construct Building and Install Equipment. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0366 W Awarding WD Contract No. 1753-16 Inch Ductile Iron Main Relocation at Third and Howard Streets to W.L. Fairey, Los Altos, California, in the amount of \$39,995.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0367 W Approving collection of Water Department claims for damages against miscellaneous debtors, amount \$4,402.85, month of August, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0368 M Rejecting all bids received for Municipal Railway Contract No. MR-716, Turk Street Office Building, Alterations to Offices.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0369 M Authorizing direct negotiation of a construction contract to provide a radio equipment vault at McLaren Park (MR Contract No. 641), as no bids were received.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0361 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$99,814.70

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0370 HH Authorizing Hetch Hetchy to prepare and circulate to prospective consultants a Request for Proposal for a contract to design the replacement of the Operation Division's Carrier and Supervisory Control System

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0371 W

Terminating and cancelling, effective October 31, 1978, that lease extension agreement made and entered into May 31, 1967, between City and County of San Francisco, through its Public Utilities Commission, as Lessor, and Joseph W. Welch, Jr. and John W. Bacon, d.b.a. Green Giant Garden and Home Supply, as Lessee; and authorizing and directing the Acting General Manager and Chief Engineer of the Water Department to give proper notice to the Lessee of the foregoing termination, and requesting said Lessee to quit and deliver up possession, on December 1, 1978, of those premises which Lessee now holds under the foregoing lease agreements. (Deferred from meeting of August 22, 1978)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0372 W

Rejecting all bids received August 24, 1978, for WD Contract No. 1742, Sealing of Roof Expansion Joints, Sunset Reservoir North Basin, and directing the Water Department to readvertise for bid.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0373 W

Rejecting all bids received August 24, 1978 for WD Contract No. 1740, Suburban Facilities, Millbrae, California; directing the Water Department to make modifications to the plans and specifications and readvertise for bids; and approving transfer of funds in the amount of \$500,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0374 W

Rejecting all bids received August 24, 1978, for WD Contract No. 1746, CDD Control Room, Lake Merced Pump Station; and directing the Water Department to readvertise for bids.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0375 W

Requesting the Board of Supervisors of San Mateo County to enact an ordinance designating Crystal Springs Vista Point to be a "No Parking or Stopping" area between the hours of 7 p.m. and 7 a.m.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Flynn, seconded by Sanger, the
following resolution was adopted:

78-0376 M

Commendations for coming to the aid of Shopman
Lawrence Warner when the fuel tank of a disabled
Municipal Railway coach exploded.

(a) Commending Mr. Ben Marston, a nearby resident.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Flynn, seconded by Sanger, the
following resolution was adopted:

78-0377 M

Commendations for coming to the aid of Shopman
Lawrence Warner when the fuel tank of a
disabled Municipal Railway coach exploded.

(b) Commending Mr. Gary Wong, Municipal Railway
operator.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Pilcher, seconded by McCrea, the
following resolution was adopted:

78-0378 M

Endorsing the request of Municipal Railway
staff and recommending that the Mayor solicit the
necessary personnel for the task of performing
a management audit.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Pilcher, seconded by McCrea, the
following resolution was adopted:

78-0379 M

Authorizing partial hiring of crafts and
non-crafts personnel for Muni Metro as required,
and no sooner than budgeted.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Pilcher, seconded by Sanger, the
following resolution was adopted:

78-0380 M

Approving the proposed type and text of the
Metro Center Dedication Plaque and authorizing
its fabrication and installation according
to the terms of MR Contract No. 609- Muni
Metro Rail Center.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Sanger, seconded by Flynn, the
following resolution was adopted:

78-0381

Approving agreement with Trans Diesel, Inc.,
of Santa Clara, California, to provide
San Francisco with a Berliet bus for testing,
and authorizing the General Manager of the
Municipal Railway to execute said agreement.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0382 M

Recommending that the proposed on-ramp to the Interstate 280 Freeway from 4th and King Streets not be constructed, and respectfully requesting that the Board of Supervisors reverse the present policy of the City and County of San Francisco requests that the fourth Street on-ramp project be deleted, with a request that further diversion of the funds for the ramp to public transportation purposes be considered.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0383 M

Adopting a policy that transit districts, when procuring coaches with federal fund assistance be allowed to modify the baseline Specifications to delete those items which are unnecessary or undesirable to their operations and add items that are necessary to their operations; and directing the General Manager of Public Utilities to notify the U.S. Secretary of Transportation and the San Francisco Board of Supervisors of this policy.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0384 M

Authorizing the Municipal Railway to enter into an Agreement for Professional Services with Jefferson and Associates Inc., to perform Phase I of the Muni/Golden Gate Ferry Bi-Directional Passenger Transfer Demonstration Project.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0385 GO

Approving budget assumptions, and directing staff to use them as the basis for preparation of budget documents for the fiscal year 1979-1980 which are due to be filed with the Commission by November 21, 1978. (Deferred from meeting of August 22, 1978.)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz
Recent Actions of the Board of Supervisors

Mr. Wentz stated that the Board of Supervisors has approved a \$35,000 supplemental appropriation for special legal counsel. Also approved is a supplemental appropriation of \$3.5 million for Muni platform operators.

The SIP grant application was approved September 11, 1978. The TIP grant application has been put over for one week for the City Attorney to determine the legality of deleting the cable car extension.

Reduced Hetch Hetchy rates were approved September 11, 1978.

Muni Fare Modification Study

Five proposals have been received, and all of them are for about \$100,000. Interviews are to be held on September 27, 1978.

Baseball Games at Candlestick Park

Mr. Green and Mr. Wentz met with Mr. Robert Lurie, owner of the San Francisco Giants, on September 7, 1978. Mr. Lurie has agreed to schedule early games next year at 12:00 noon to avoid rush hour conflicts. After the end of the season he will consider further steps to aid Muni.

Special Meeting on Capital Improvement Program

There will be a special meeting of the PUC September 19, 1978, in the Lurie Room of the Public Library at 2:30 p.m. An executive session on labor negotiations will follow that meeting.

Forest Hill Station

Mr. Wentz stated that the architect would like to review his investigations with the Commission.

President Henning directed that this matter be scheduled for the Commission meeting of September 26, 1978.

Use of Chlorine for Water Purification

Mr. Eugene J. Kelleher, Acting General Manager, and Chief Engineer, Water Department, stated that the Board of Supervisors met September 11, 1978, and decided to outlaw the use of chlorine in San Francisco. The Water Department uses most of its chlorine outside San Francisco. There are 11 stations in San Francisco, mainly at reservoirs, and there are 8 stations outside San Francisco. In a normal use year the cost of chlorine is about \$200,000. Using sodium hypochlorite would cost about \$1 million per year, and it would cost \$1 million to convert the stations to its use. Also, it would probably require additional manpower to serve the stations.

Mr. Kelleher explained that the Water Department stores chlorine at the Millbrae Yard, and that it is trucked from Sacramento. Steps will be taken to make the storage even more secure.

Mr. Harry Tracy, Manager, Water Quality Division, stated that chlorine is stored in 150-pound tanks and in 1-ton tanks. There has never been a major problem at the Water Department. The Water Quality Division has in the past gone to the rescue of someone else when there was a problem.

Mr. Wentz stated cost estimates prepared by the Water Department would follow the mandate of the Board of Supervisors inside and outside San Francisco. Mr. Kelleher said this would require approximately a 3 percent rate increase in water rates.

Commissioner Pilcher commented that Supervisor Dianne Feinstein is concerned that vandalism might cause a problem.

Mr. Wentz stated that Mr. Roger Boas, Chief Administrative Officer, has scheduled a meeting to coordinate City activities. It is assumed Mr. Boas will report to the Board of Supervisors on the total impact.

Commissioner Peter McCrea inquired if inert salts in sodium hypochlorite would affect the water supply.

Mr. Tracy stated this is not a problem in the quantities to be used.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

In view of the length of Commission meetings recently, Commissioner Pilcher asked if the meetings could commence at 2:00 p.m. instead of 2:30 p.m. She made a motion to this effect, which was seconded by Commissioner Sanger and unanimously adopted by the Commission.

Mr. McMorris M. Dow, Utilities General Counsel, stated this would require amending the Commission's Rules of Order.

Commissioner John M. Sanger requested that in light of recent material received having to do with the Tuolumne River and the prospect of a preliminary permit that a presentation on the dam project be calendared within the next month or six weeks. He suggested providing notice to all concerned.

President Henning directed that this matter be calendared for the PUC meeting of October 24, 1978.

Resolution No. 78-0368--Rejecting all bids received for Contract No. MR-716, Turk Street Office Building, Alterations to Offices.

Mr. Maurice Klebolt, President, CAPTrans, stated that the facility is for a Muni security detail which has been authorized. He asked why all bids were being rejected.

Mr. Curtis E. Green, General Manager, Municipal Railway, explained that \$30,000 was appropriated, and bids came in at \$39,000. Staff will go back and redesign the contract.

Mr. Fred Perry of CAPTrans asked if staff could ask for another supplemental appropriation.

Mr. Green explained that to ask for \$39,000 would re-do the whole process. It is cheaper to re-do the design to delete some things that are not absolutely necessary.

Mr. Perry asked if many things were put in that were not needed.

Mr. Green explained that staff does not feel that scaling down will affect the function of the building. This item is not an emergency item.

Resolution No. 78-0270--Authorizing HH to prepare and circulate to prospective consultants an RFP for a contract to design the replacement of the Operation Division's Carrier and Supervisory Control System.

Commissioner Sanger asked about electro-mechanical control.

Mr. Oral L. Moore, General Manager, Hatch Hatchy Project, explained that the electro-mechanical system involves electrical relays. The function is now provided by a digital system. The proposed system would provide supervisory control of the entire power system from Moccasin.

ITEM NO. 9--Request for waiver of automobile liability coverage in the required insurance for Land Use Permit granted to Joyce Butkus and Jean Wilson on VD pipeline right-of-way in Menlo Park.

Mr. Kelleher explained that this item was calendared at the request of permittees, who were required to obtain \$1 million of liability property damage insurance to include owned and non-owned autos. Permittees did furnish \$1 million comprehensive liability insurance. Mr. Paul C. Maier, attorney for applicants, is questioning the need for extended insurance to cover owned and non-owned autos. The Commission can reduce insurance or consider the elimination of auto insurance.

Mr. Maier explained that his clients own property which abuts the Hatch Hatchy right-of-way. They have a permit from the City to cross. They have provided the City \$1 million liability insurance by reason of ownership of their property and use of HH right-of-way. Mr. Maier asked if the City also needs coverage for owned and non-owned autos. He said it is his position that the City does not become liable for negligent use of autos. The alternative given by the City is cancellation of the permit.

Mr. McMorris M. Dow, Utilities General Counsel, stated comprehensive liability insurance is not good for use of the right-of-way. The City does not have liability insurance on City streets except if they are in bad condition. He said this matter is a policy decision of the Commission.

Mr. Maier stated that his clients have attempted to obtain an umbrella policy, but it would not be endorsed to cover the City. They obtained a home owner's policy, but it will not cover autos. Their auto carrier will not write the policy required. There is a remote possibility of an excess policy, which would cost between \$1500 and \$2000.

Commissioner McCrea asked if the house was constructed with the full knowledge that these conditions would have to be met.

Mr. Maier stated the conditions for granting of the right-of-way have been substantially increased since the property was acquired.

Commissioner Pilcher commented that the previous owner had access.

Mr. Kelleher explained that someone sold the property on the other side of the HH right-of-way. The previous owner had obtained a permit to cross.

Commissioner McCrea asked if the insurance conditions were changed at the time of the sale.

Mr. Kelleher said there was an increased requirement by the Commission for \$1 million.

Mr. Maier stated the conditions were imposed after his client purchased the property and took his position is that the City does not have any exposure or reason for use of the right-of-way.

Mr. Dow said the exposure is slight, but it is there. It is a matter for the Commission to decide.

Commissioner Pilcher asked for an example of a case where the City would be liable.

Mr. Dow stated there might be higher than the motorist could not see beyond them. He said another case is liability on closed auto liability. However, the exposure is more than that. The City could be exposed to a suit. If the City had insurance, the insurance company would handle it.

Mr. Maier said there is a problem in obtaining liability insurance for owned and non-owned autos. He suggested that this danger comes from some other situation--perhaps with a contractor.

Responding to a question from President Henning, Mr. Kelleher said this is the only case the Water Department has with this situation.

Responding to a question from Commissioner Sanger about reducing the amount of coverage involved, Mr. Kelleher said the problem is one of coverage per se. Carriers are not concerned about the dollar amount. There is no track record.

Commissioner McCrea asked that the City Attorney's Office work with Mr. Maier to draw up something.

Commissioner Flynn said he would like to see financial information.

Commissioner Pilcher said she would be interested in seeing letters from insurance companies saying they will not provide this type of coverage.

President Henning directed that City Attorney's Office and Mr. Maier work on a hold harmless clause, and report back to the Commission on October 16, 1978.

Resolution No. 78-0371--Terminating and cancelling, effective October 31, 1978, that lease extension agreement, made and entered into May 31, 1967, between CCSE, through its Public Utilities Commission, as Lessor, and Joseph W. Welch, Jr., and John W. Bacon, d.b.a Green Giant Garden and Home Supply, as Lessee.

Commissioner Pilcher said she is not clear as to why Green Giant has to be off the property before it is put out to bid.

Mr. Kelleher said this requirement is on advice of the City Attorney's Office, in case there is any legal "hang up".

Mr. A. James Scholz, attorney for Green Garden Nursery & Home Garden Supply, Inc., formerly Green Giant Garden and Home Supply, requested that the lease or extension not be terminated in order to permit the Water Department and his client to discuss it at length.

Commissioner McCrea noted that the facts presented indicate that the City is legally within its right to terminate the agreement.

Mr. Scholz said that in 1967 the lease extension was negotiated with the Water Department. In order for the tenant to undertake the expenditure for needed improvements and repairs he wanted to be certain he had a long term lease. The City has received an additional \$3,000 in rent.

Commissioner Pilcher stated that he followed the policy of being discussed, and Commissioner Flynn did not think the regulation provided did not deal with this.

Mr. Scholz said rental payment was increased, and his client suffered serious financial setbacks because of the drought. He asked the Water Department what if there were no money for the property and his client's were none. He estimated a total for \$90,000 to keep the business going and maintain the home.

Commissioner Sanger asked if there is a possibility of getting the lease an opportunity to buy on the future property.

Responding to a question from Commissioner Sanger, Mr. Kelleher stated the property owned by John Scholz was located on El Camino Real and is the only subdivision of the water parcel. The minimum bid would be \$7,600 per month. He said Mr. Scholz's client could bid with everyone else.

Mr. Scholz said his client had a going business and that he would like to sit down and see if an agreement could be entered into.

Commissioner McCreed said he did not think Commission would negotiate a single source.

Commissioner McCreed moved passage of this resolution, which was seconded by Commissioner Flynn, and unanimously passed by the Commission.

ITEM NO. 14--Authorizing the Civil Engineer and Chief Engineer of the SWD to execute an approximately .80 acre Erosion Control Use Permit to Acuna Life Insurance Company, for parking and landscaping purposes for certain property located in Santa Clara Co. commencing July 1, 1978, at a monthly rental of \$250 plus reimbursement of taxes and assessments, subject to rental adjustment every three years until revoked.

Commissioner Sanger commented that according to the explanation the average cash value has been determined to be \$70,000. At eight percent that would justify a monthly rental of \$450 and the rental proposed is \$250.

Mr. Kelleher stated that rights-of-way with pipelines are figured at 5 percent, and at 8 percent if they are unencumbered.

Commissioner Sanger said 5 percent is much too low to rent anything. He asked how often the Water Department revokes these permits.

Mr. Kelleher said that the Department was in there in 1963-64 for the pipeline. Permittee come back for re-issuing. He said most of these permits are for landscaping, and permittees also pay taxes. Most agreements have cross-over rights.

Commissioner Sanger stated that if this could be justified for 5 percent he could accept it.

Mr. Richard Tanaka, Manager, Agriculture and Land Division, Water Department, stated that only recently the percentage was raised from 4 percent to 5 percent. The 4 percent rate was in effect for three years.

President Henning directed that this item be taken off calendar until the Commission meeting of October 10, 1978.

Responding to a question from Commissioner Sancer, Mr. Peterson stated the third door would be behind the driver's compartment. It would only be used in the subway where there is a center platform.

Mr. Maurice Klebolt, stated there is a problem with changing the seat configuration because San Francisco has elected to use sand boxes under the first 2 jump seats near the front door. He said the answer is to use buses. Another alternative is high platforms in the avenues. He commented about \$75,000 was spent on a report on needs of the handicapped on Page 10-10. The Commission would not permit any other problems to be built, because of Mr. Rino Del.

Mr. Wentz said the first step in reconnection was to put lines on the cars. The second step was to develop a prototype. One prototype platform is in the process to be built at the end, and Mr. Del is not opposing it.

Mr. Green added that the platforms are being used, such as at San Francisco State College and at various hospitals.

President Henning interrupted that was fine. He continued to the Commission meeting on October 10, 1978.

Commissioner Peterson said he had a letter from a member of the Board of Control regarding the report, which stated that it was superficial and did not identify the serious magnitude of the problems.

Mr. Peterson stated five public hearings will be held the week of September 18, 1978, on the elderly and handicapped transportation plan.

Resolution No. 78-0379--Authorizing partial hiring of crafts and non-crafts personnel for Muni Metro as required, and no sooner than budgeted.

Commissioner McCrea asked if a status report could be submitted to Commission in six weeks on the joint agreement with BART on stations.

Mr. Wentz stated that the document will be an amendment to the service agreement Muni already has with BART, and it is "in the mill".

Resolution No. 78-0381--Approving agreement with Trans Diesel, Inc. of Santa Clara, California, to provide San Francisco with a Berliet bus for testing, and authorizing the General Manager of the Municipal Railway to execute said agreement.

Commissioner McCrea asked if UMTA would allow the City to buy this bus.

Mr. Tom Matoff, Acting Director of Planning, Municipal Railway, replied, "Not presently".

Responding to a question from Commissioner Pilcher, Mr. Matoff said it is a diesel bus and will be used on a variety of lines.

Mr. Klebolt stated he thought Muni might obtain a demonstration bus free of charge from Greyhound Corporation.

Commissioner McCrea suggested that Mr. Green contact Greyhound.

ITEM NO. 24--Discussion of MR staff responses to recommendations made in the Deloitte, Haskins & Sells report of handling facilities and procedures at the Municipal Railway.

Mr. Green reported that Muni staff has found the report worthwhile, and many of the recommendations have already been put into effect. Others will be worked on in short order, and some will take longer to implement.

Mr. Green introduced Mr. John Ellingson and Mr. Thomas Ruben of Deloitte, Haskins & Sells.

Commissioner Sanger commented that the report recommended against registering fare boxes on the grounds they would not be cost effective.

Mr. Ellingson stated this is based on experience with other transit properties which have used registering fare boxes. He stated the initial capital costs of \$1600 for registering fare boxes are excessive. Also, at the present time there is a reliability problem in San Diego and at transit properties in Springfield and Pittfield, Massachusetts.

Commissioner Sanger asked what calculations were made that it might be beneficial to have additional observers on the cable cars.

Mr. Ellingson stated it is difficult to tell how much money, if any, is not being used as intended, because this is not known.

Concerning observers, Commissioner Pilcher stated that conductors would be able to establish their identity.

Mr. Green stated that observers are nothing new. They are changed frequently.

Commissioner McCrea stated the report did not address an issue raised a number of times before--why are special people required to operate Keene fare box extraction equipment.

Mr. Green replied that it is a Civil Service job classification. Staff is recommending that this job classification be combined with car cleaner, automotive service worker and maintenance worker.

Mr. Wentz added that tabulations indicate this would produce a saving of \$200,000 on an annual basis.

Commissioner Pilcher commented that cable car conductors and gripmen might be interested in jump suits without pockets, which are commonly used at gas stations.

Mr. Green said cable car employees seem to want a different type of uniform.

Commissioner Sanger stated that the most significant item in the report has to do with economies to be achieved by consolidation of positions and outside contracting of certain services.

Commissioners McCrea and Flynn stated consultant did a very good job, in some cases going beyond the scope.

Mr. Lawrence B. Martin, President, TWU Local-250A, suggested removing collections from cable cars altogether by using terminals for collections. A conductor spends a lot of time collecting fares--and not getting to the brakes on time causes accidents.

Mr. Martin commented that consultant's reliability in keeping matters secret is not good.

Mr. Ruben stated that the firm's employee did not divulge anything, but it appeared that he had. During the study there was no evidence of any Muni employee pocketing funds of any sort.

Some money lost on cable cars was due to patrons not paying full fares.

Commissioner Sanger asked if the firm had considered removing collections from cable cars, and Mr. Ellingson replied there would be a problem when people get on and off at stops other than the end of the line.

Mr. John Elberling of CAPTrans commented that over the years when the Keene system has been critized, it was cited as being "fool proof". It is not "fool proof" as coins spill on the ground. Employees had access to where money was stored, and warning systems did not work. In the future when there is criticism, Mr. Elberling said he hoped staff will not give the response that the system is vacuum controlled and therefore "fool proof".

Mr. Ellingson stated that Muni is better off staying with the Keene system than beginning all over. The Keene system has been widely used by other agencies.

Mr. Elberling said the RFP asked that firms review the fare handling system still being used on streetcars. The report does not address itself to that.

Mr. Ellingson replied that the old farebox system was investigated, but these boxes are being phased out.

Commissioner Flynn asked if the coins spilled are of a tremendous amount, and Mr. Ellingson replied that the largest spill was less than \$100. He said steps have been taken to reduce the problem in the future.

Mr. Maurice Klebolt, stated there has been concern about the method of transferring cash from the cable car conductor to the receiver because it is done by pencil. Entries are made in the master list in pencil, and the Muni accounting office uses pencil.

Mr. Green explained that all transactions relate back to the register, and the receiver can not change the register.

Mr. Klebolt commented that \$1 million went "down the tubes" by maintenance employees, including foremen, in Santa Clara County.

Mr. Green stated those boxes were not Keene system boxes.

Mr. Klebolt stated he had suggested asking APTA to bring to the Commission a secret file on security systems, and asking the people from the Duncan system to come and give a free demonstration.

Mr. Ellingson said his firm has checked with APTA and Duncan Industries, and there is no such thing as a mechanical device that can not be defeated. Muni has identified the most important shortcomings and made significant improvements.

Mr. Klebolt inquired about the use of tickets.

Mr. Ellingson said it would be very clumsy to have a system of tickets which would be used in large part by tourists.

Mr. Green stated that \$25 million is collected annually in all fares by Muni. When there is a system of fare collections at cable car terminals there will be fewer money transactions.

Commissioner Henning stated the Commission feels recording of money should be done by pen.

Resolution No. 78-0382--Recommending that the proposed on-ramp to the I-280 Freeway from 4th and King Streets not be constructed, and respectfully requesting that the Board of Supervisors reverse the present policy of the CCSF and indicate to the California Department of Transportation that the CCSF requests that the 4th Street on-ramp project be deleted, with a request that further diversion of the funds for the ramp to public transportation purposes be considered.

Mr. Tom Matoff stated that the TPG discussed this matter on September 7, 1978. A revised resolution contains language which is the same as that to be considered by the Planning Commission on September 14, 1978. The same language will also be incorporated in a letter from the Department of Public Works to the Board of Supervisors. The staff is not opposed to an on-ramp per se, but does feel that this particular on-ramp is not in the best interests of transit.

Resolution No. 78-0384--Authorizing the Municipal Railway to enter into an Agreement for Professional Services with Jefferson & Associates, Inc., to perform Phase I of the Muni Golden Gate Ferry Bi-Directional Passenger Transfer Demonstration Project.

Mr. Matoff explained that earlier this year the Commission approved an application for \$78,000 to have CALTrans fund a demonstration project whereby Muni and the Golden Gate Ferry would interchange transfers. Lost revenue would be made up by a grant from CALTrans. This could continue on a permanent basis if the rider percentage improves. The first part is a \$4,000 consultant study to refine details of the transfer arrangement, to prepare draft agreements, to prepare the plan for project monitoring, and to up-date the estimate of the number of people who would use such an arrangement.

Resolution No. 78-0385--Approving budget assumptions, and directing staff to use them as the basis for preparation of budget documents for the fiscal year 1979-80 which are due to be filed with the Commission by November 21, 1978.

Commissioner Sanger commented there is no request for new employments by the Water Department.

Mr. Kelleher stated there will be no new employments.

Commissioner Sanger asked if overtime for craft employees instead of hiring additional permanent employees will be justified.

Mr. Kelleher explained that if permanent personnel were added the Department would still need overtime, as overtime fluctuates, and different classifications are involved. Also, he said requisitions are not being filled as it is difficult to obtain qualified people.

Commissioner Pilcher inquired about the chlorine problem, stating that the 3 percent increase in rates is not mentioned.

Mr. Kelleher said this problem just surfaced, and will be taken up in the budget.

Commissioner Sanger asked if costs are reimbursed for new services.

Mr. Kelleher said there is a minimum connection and service charge of \$310 for a standard service.

Responding to a question from Commissioner McCrea, he said the turbidity problem will be funded by a new bond issue or by a transfer of funds.

With reference to the Municipal Railway, Commissioner Sanger asked what assumptions are being made on service and if there will be the same number of scheduled runs.

Mr. Green said the assumption is that maintenance problems will be corrected so that present levels of scheduled service will be maintained at the very least. The budget will be based on no missed runs.

Commissioner Sanger commented that Muni is assuming increased patronage of 5 to 10 percent. Assuming part of that will be in the peak periods, if there is not a higher level of funding the service will not be as good.

Mr. Green stated there is an assumption of adding people on crosstown lines. Muni Metro will be an additional means of increasing ridership.

Commissioner McCrea noted that growth in the business district will cause an increase of ridership.

Commissioner Sanger commented that Muni is not meeting the demand for service in and out of downtown, and this is also true in the northern waterfront area.

Mr. Lynn Pio, Transit Environmental Coordinator, stated the basic assumption is that in spite of the increased cost of the operating Muni Metro, and the problem of decreased ad valorem funding, Muni is planning to maintain at least what it has and to increase service if possible. The implementation of Muni Metro will provide additional service to serve downtown.

Commissioner McCrea said the report should be rephrased to say that while growth is assumed to exist in the central business district, no new service is being provided except by Muni Metro.

Mr. Matoff stated the latent demand study is getting underway, and staff is programming increases in capacity in some corridors in future years. The POM study does call for the restoration of 50 runs.

Commissioner Sanger suggested that the Board of Supervisors and the Mayor's Office should be shown there is a demand over which Muni has no control. He said the goal of closing down Market Street to everything except transit is a little bold.

Mr. Matoff said emergency and service vehicles could use Market Street.

Commissioner Sanger questioned the need to purchase new trolley coaches, stating he understood the float for the trolley fleet was rather high. He said the purchase of new trolley coaches should be deleted.

President Henning invited comments from the public.

A gentleman from the Chamber of Commerce stated he thinks it is inappropriate to state that a major goal for Muni for 1979-80 is to take all traffic off Market Street because a center City study of the effects of all types of movement within the central City will be going on for two years. A preferential streets study will be going on at the same time.

Commissioner Henning directed that this item be deleted.

Responding to a question from Commissioner McCrea, Mr. Matoff said Muni is recommending restoring 10 runs in 1979-80, plus all runs missed at this time. These runs will be restored where it will do the most good.

Mr. Glover of SPUR inquired about improved maintenance of overhead power lines.

Mr. Matoff said there is an item in the C.I.P. for reconstruction of the existing overhead system.

Mr. Oral L. Moore stated that Hetch Hetchy is including in the C.I.P. a program for federal funding to initiate trolley overhead work to accommodate the expansion of electric service recommended in the POM study.

Commissioner McCrea said he did not think it is realistic to assume Muni can restore all runs missing today and obtain 10 additional runs.

Mr. Maurice Klebolt said this should not be part of the package. It is going to take four years to hang wires. He asked how staff can tell Supervisor Quentin Kopp that Muni has a computerized system (RUCUS) which needs more people. Advance design buses will need more operators and more money for maintenance, and there will be more claims costs. UTDC may need additional maintenance personnel.

Mr. Dennis Hyde of the Muni Coalition commended everyone who took part in the preparation of the document. He commented that operators maintain that radios do not operate in certain sections of the City, and some vehicles do not have radios. Because of assaults on operators he would like to see the radios go in as quickly as possible.

Mr. Green said Muni is assuming to purchase and place in service 400 new radios.

Following discussion between Commission and staff, Commissioner Sanger recommended that the document be amended to read that ten missed runs be restored in fiscal year 1979-80. Commissioner Henning directed that the document be so amended.

ITEM NO. 29--Discussion of the desirability of PUC use of Committees.

Commissioner Pilcher stated there are only 5 Commissioners, and if committees are split off it would necessitate going through the procedure twice. She said ad hoc committees could make sense in certain cases. Standing committees meeting on a regular basis would have to meet in public, and would then have to come before the full Commission.

Commissioner Sanger said the only reason to have committees would be to expedite matters at the regular meeting.

President Henning commented that a situation of unlawful delegation develops.

Commissioner McCrea stated committees would save the staff time and would save the public time. The public would have a sense of having participated in decisions.

Commissioner Flynn stated he is opposed to committees, but would go to the neighborhoods anytime.

Mr. McMorris M. Dow, said notice of committee meetings would have to be given in order to be safe. He said it must be noticed and it must be a public meeting.

Commissioner McCrea moved that the Commission go on record as using committees more than it has in the past year to consider issues that need to be explored in depth with staff and require public input.

Commissioner Sanger seconded the motion.

On roll call Commissioners McCrea and Sanger voted "aye" and Commissioners Henning, Pilcher and Flynn voted "no".

THEREUPON THE MEETING ADJOURNED: 6:55 P.M.

Romaine A. Smith
Secretary

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

SPECIAL MEETING

Public Library, Civic Center

Lurie Room

2:37 P.M.

September 19, 1978

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn,

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith
SECRETARY

Call To Order: 2:37 P.M.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners Peter McCrea and John M. Sanger

Absent: Commissioner H. Welton Flynn

Discussion preceding adoption of resolution is attached.

RESOLUTION
NO.

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0387 GO

Approving capital improvement programs for Hetch Hetchy Water and Power, San Francisco Water Department and San Francisco Municipal Railway, 1979-80 through 1984-85.

Vote: Ayes-Henning, Pilcher, McCrea
No- Sanger

Copies of the above resolution are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz
Actions of the Board of Supervisors

Mr. Wentz stated that at the meeting of the Board of Supervisors on September 18, 1978, the resolution with respect to the TIP application to UMTA was amended. The Board members indicated they would approve the application only if money for the cable car extension project were excluded from the program-if Muni would withdraw the \$100,000 included for design of the cable car extension. This application is not one that will aid Muni. It is an attempt to recover for the General Fund additional funds for administrative functions over and above those approved in the original application.

Mr. Rino Bei, TIP Program Director, gave a tremendous presentation, so the Board is fully advised. The application will not be filed at the moment as there is no urgency, but will be filed at a later date after following UMTA prescribed procedures.

Mr. Wentz stated that staff would proceed with the "game plan" to place the traffic plan before the Board of Supervisors. Approval of the traffic plan is tantamount to approving the extension.

Supervisor Ella Hill Hutch's staff has advised that she has not yet scheduled the traffic plan for hearing by the Streets and Transportation Committee but that the earliest possible date would be October 26th.

Resolution No. 78-0387--Approving capital improvement programs for Hetch Hetchy Water and Power, San Francisco Water Department and San Francisco Municipal Railway, 1979-80 through 1984-85.

Hetch Hetchy Water and Power

Commissioner Pilcher asked if it is correct that the items contained in the capital improvement program do not commit the Commission to these programs.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power, replied that the document generally serves as a planning document for the Department, and in that sense the Commission's approval indicates that as far as present intentions are concerned these are the capital facilities which will be constructed or financed during the next six years. However, there will be an opportunity to review this program in any given year, and the program can be revised during budget reviews.

Mr. Wentz stated that staff would like an opinion from the Commission as to whether or not to include those capital projects included in the budget year--year No. 1.

Commissioner McCrea asked if the Commission would be giving tacit approval to those projects included in later years by approving this capital improvement program.

Mr. Wentz replied that the Commission would be accepting the program as its best thinking at this time.

Commissioner Sanger asked Mr. Wentz his definition of a capital improvement program.

Mr. Wentz replied that it is a plan for programming capital improvement programs for 5 to 6 years into the future. It is an attempt to list in priority fashion with potential costs those projects that appear now to be likely to come into being within that period of time.

President Henning stated that a capital improvement program is planning for potentials. A number of the proposed improvements have philosophical ramifications upon which the public may have different views. He said he does not view a number of these things as a commitment to go forward.

Mr. Wentz added that there is a legal commitment to file the program with the Planning Commission by October 1, 1978, under the provisions of the Charter.

Mr. McMorris M. Dow, Utilities General Counsel, advised that the Planning Commission must determine whether or not these projects conform to the master plan.

Mr. Wentz stated that the CIAC, a multi-departmental committee chaired by the Chief Administrative Officer, recommends for the budget year those projects funded by ad valorem funds to be approved in the annual budget.

Commissioner Pilcher stated that the Commission is concerned about items on which it has not made up its mind. She asked if some type of disclaimer could be used.

Mr. Wentz replied that if there is any real concern about an item it should be removed from the program. On the other hand, there is an opportunity down the line to modify or change an item. He stated that this program is not a budget, simply a plan.

Commissioner McCrea stated that in the company where he works a part of the budget is listed as a possible supplemental budget. Projects are listed which have been identified as possibly being justified in the future. He asked if it is possible to include projects such as this on a separate sheet.

Mr. Wentz said it is possible, although the budget is not drawn up in that way. He said another approach would be to add a disclaimer to the text. Also, a number of projects could be extracted.

President Henning commented that staff must come back to the Commission for approval of the item.

Commissioner Sanger commented that the master plan of San Francisco does not cover the Water Department and Hetch Hetchy. There is a plan for transportation. He said a lot of the projects may be considered in terms of long range planning. There are projects listed on which the Commission has made no policy commitments, and they are not likely to be carried out within the 6-year period. In several cases, he said he objects to their being included. To anyone who bothers to look at the CIP it states an enormous outstanding debt.

President Henning opened the meeting to the public. No one responded.

Commissioner Sanger stated he had a question on San Joaquin Pipelines Repair, under Facilities Maintenance. He commented that the money was requested in previous years, and asked if this has become an emergency measure.

Mr. Moore explained that repairs have been deferred. San Joaquin pipelines 2 and 3 are in large part cement mortar lined, and have had erosion. Pipeline No. 2 is about 30 years old, and pipeline No. 3 is about 15-20 years old. Cost is reflected in revenue transfer from the Water Department.

Mr. Eugene J. Kelleher, Acting General Manager and Chief Engineer, Water Department, reported that last year the transfer was around \$7 million, which was reflected in the water rates.

Commissioner Sanger asked if this would cause a rate increase, and Mr. Moore replied affirmatively.

Commissioner Sanger stated this should be noted in the CIP as a consequence.

President Henning directed that a note to that effect be made when the CIP goes to the Planning Commission.

Commissioner McCrea asked if this budget will have a significant impact on Hetch Hetchy's projected surplus.

Mr. Moore replied that for the past two years all capital improvements have been deferred. He stated that if all of these items were approved Hetch Hetchy would be able to finance them and still return something to the general fund, particularly if Hetch Hetchy bond service continues to come out of the tax rate.

Commissioner McCrea questioned Item No. 1 under Capital Improvement Projects- Kirkwood Moccasin Power Generation Systems, Enlarge Capacity. He asked Mr. Moore to describe alternatives and options.

Mr. Moore stated there is a possibility of increasing the capacity of Mountain Tunnel, which would make more water available for power generation at Moccasin. More water is put through Kirkwood Power house than through Moccasin. He said it is necessary to take a detailed look at all possibilities to determine if they are economically feasible.

Commissioner McCrea inquired about a project to recover effluent from Holm Powerhouse, and Commissioner Sanger asked if this project would increase diversions from the river.

Mr. Moore said it would not increase diversions from the river. It would take diversions out of the river at some point above Moccasin and return the water to the river or Don Pedro Reservoir below Moccasin. San Francisco removes only the water diverted to San Francisco.

Commissioner Sanger asked if Pipeline No. 4 is necessary, to which Mr. Moore replied affirmatively.

Responding to a question from Commissioner Sanger, Mr. Moore said item No. 1 (Kirkwood Moccasin Power Generation Systems, Enlarge Capacity) does not have to be considered in connection with item 14 (San Joaquin, Pipeline 4, Construction) because 14 only involves construction across the San Joaquin Valley. There are adequate tunnel capacities throughout the system now. By adding a fourth pipeline, 400 million gallons of water could be brought to Sunol. The increased tunnel capacity would be to increase power generating capacity only.

Commissioner Sanger stated that references to any water commitment should be deleted. He noted that there is a figure for design, but no cost estimates on future constructions.

Mr. Moore explained that these cost estimates would have to be developed on the basis of investigation.

Commissioner Sanger commented that it would cost \$330,000, and Mr. Moore commented that if all of the available head were developed it would have the value of \$8 million annually. He stated that Hetch Hetchy has no intention to impair its legal commitments for water.

Commissioner McCrea asked if this would affect the economics of the Clavey Project (Item 13) in a year of more than adequate water.

Mr. Moore said that is a possibility. He said there are many possibilities, and one of them is that the Clavey Project will not be built. He said the \$330,000 would be for studies. There would have to be surveying to establish the best alignments. There would be some effect on water delivery during drought years. There is some doubt that the present system would sustain 400 million gallons during a drought year. Money will be requested in contractual services to allow handling of a dry cycle with present facilities.

Regarding the Eleanor-Cherry Pump Station, Commissioner Sanger asked if a determination has been made as to whether or not an EIR is required.

Mr. Moore replied that an EIR will have to be prepared, but it will be included in the \$1-1/2 million.

Commissioner Sanger questioned spending \$377,500,000 for items 13 and 14. He said he is unwilling to make any commitment to the Wards Ferry and Clavey Complexes at the moment. As he considers the CIP to be a commitment to a program of expanded power generation, he would like to see this item deleted.

Mr. Moore commented that the reason this item is in the CIP is that the Commission has committed San Francisco to participate in a preliminary application to the federal government. The schedule is to complete the study in October, 1979, and submit it to Congress. Congress will set a deadline for its action by 1981. Assuming Congress makes a decision by October, 1981, Hetch Hetchy has shown this in the earliest possible year that anything can be started--1981-1982. Mr. Moore said he has made it clear to the Turlock and Modesto Irrigation Districts that the City is committed only to a preliminary application.

Commissioner McCrea asked if a footnote could be included in the CIP that this project is included solely for the purpose of potential financing. Mr. Moore replied, "Yes".

Commissioner Sanger stated that only total financing should be shown, with no scheduling of budget years. The schedule implies there is a program for spending money.

President Henning directed that scheduling by years be deleted on item No. 13.

Commissioner McCrea moved that Item No. 13 be included with a footnote that it is included for potential financing only. Commissioner Pilcher seconded the motion. Commissioners Henning, Pilcher, and McCrea voted "aye". Commissioner Sanger voted "no".

Mr. McMorris M. Dow stated that if it is the Commission's opinion that the project may be undertaken within the next five years then it should be included in the CIP.

Mr. Wentz commented that it can be handled with a disclaimer, and that at the present time the PUC has no commitment to approve the program.

Regarding San Joaquin Pipeline No. 4 Construction, Commissioner Sanger stated he has the same objection, with the additional objection that it encourages residents and consumers to go back to wasteful water use.

Mr. Wentz explained these would be motor coach runs.

Commissioner Sanger noted that a week ago the budget assumptions indicated new electrifications.

Mr. Thomas Matoff, Acting Director of Planning, Municipal Railway said this program would not begin unless Mr. Moore feels the engineering department can implement it.

Commissioner McCrea said it would take at least a year to put one line in electric service.

Mr. Matoff commented that part of the problem is that in order to convert a line a motor coach operation has to be abandoned.

Mr. Green said the program will begin next year, and Mr. Wentz added that the money for construction is in the budget.

Commissioner McCrea said this should be reflected in the 5-year plan.

Commissioner Pilcher moved, and Commissioner McCrea seconded that the CIP for Hetch Hetchy be adopted with amendments. All Commissioners voted "aye" except Commissioner Sanger, who voted "no".

Regarding the CIP for the Water Department, Commissioner Sanger questioned the last paragraph of the letter which states, "The Water Department's Capital Program is necessary to maintain the present plant capacity, and to meet the future increased demand for water. The cost of this program and the projected reduced water sales revenue may necessitate a water rate increase."

Mr. Eugene J. Kelleher, Acting General Manager and Chief Engineer, Water Department, said there could be increased demand in the system which would require upgrading the system to deliver more water. There is a continuing need to meet demands. A number of items are to increase capacity of mains. Reduced demand is causing the Water Department to lose revenue.

Commissioner Sanger asked if increased demand for water is from non-residential users, and if CIP requirements are translated into rate burdens on residential users.

Mr. Kelleher said that is not the case.

Commissioner Sanger said the Department should be charging that marginal increase in the cost of water to those new users.

Mr. Kelleher stated that the Department did change the demand charge to reflect actual demand. He said that \$1,380,000 for service renewals is primarily residential or small business. There is a new program to replace downtown mains which were installed in the early 1900's. Much of the cost will be to improve capacity of fire service mains.

Commissioner McCrea said the problem is that the letter says "to meet future demand for water", when most of the money is going to maintain the system.

Mr. Kelleher said that center lining of mains will increase capacity. The total water supply capacity is not being increased.

President Henning directed that the last paragraph of the letter be rewritten.

Commissioner Pilcher inquired about item No. 12--Replace Chlorination Equipment, City Chlorination Stations.

Mr. Kelleher stated there will be a hearing at the Health & Environmental Committee meeting of the Board of Supervisors on the use of chlorine. If chlorine use is restricted, that \$40,000 would come out. Otherwise there will be a supplemental appropriation of \$1 million, and it will cost \$800,000 or \$900,000 a year for operations and maintenance.

Responding to a question from Commissioner Sanger, Mr. Kelleher said it may be necessary to expand San Andreas Filtration Plant, which would be part of a bond issue. He said there may be other alternatives.

Mr. Wentz commented that there is not enough current information to intelligently put this item in the CIP for this year.

On motion of Commissioner Pilcher, seconded by Commissioner Sanger, the Commission voted unanimously to adopt the Water Department Capital Improvement Program.

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The Municipal Railway CIP was briefly discussed by Mr. Thomas Matoff, who stated that the CIAC would probably recommend approval of a package of facilities maintenance items. An effort will be made to maintain the facilities the City already has.

Commissioner Pilcher commented that on the first page of the letter the purchase of five additional LRVs is indicated. She asked if this is part of the total contract.

Mr. Matoff replied that it would be an entirely new procurement of vehicles.

Commissioner Sanger asked why only some projects are going to the CIAC, and Mr. Wentz replied that only those involving ad valorem funding go to the CIAC.

Dr. John M. Christensen, Jr., Assistant General Manager, Finance, explained that Improvement Corporation funding is not picked up as a source of funding in the budget.

Commissioner McCrea stated that when the Improvement Corporation was discussed, the statement was made that no further projects would be funded using SFMRIC funds.

Dr. Christensen said that is correct. Bridge tolls, TDA funds, Section 5 funds are shown as a source. Muni is using SFMRIC funding as credits for federal funding. The Improvement Corporation has put \$17 million into the Muni Metro Center, for example; which is multiplied by 5 to finance other projects included in the CIP. The Corporation built the Woods Yard, the Muni Metro Center, the subway signal system, and bought 400 motor coaches. These items have created the local share for credit. The total program is now in the neighborhood of \$300 million.

Commissioner Sanger commented that \$9.7 million of SFMRIC money has already been spent.

Dr. Christensen stated that some of the money has been spent. SFMRIC funds are committed for LRVs, and that money has not all been spent. Funds for the Muni Metro Center have not all been spent. He said there will be no new bonding commitments. Fifty-seven (\$57) million worth of bonds have been sold. Enough credits have been created, which together with funds coming in from bridge tolls and TDA funds, will be sufficient to cover the program.

Commissioner McCrea requested that the Embarcadero turnaround project be brought back to the Commission for discussion, as it involves a great deal of money.

Mr. Wentz stated that an analysis of work to date by the consultant will soon be furnished to the Commission. He said the J-Line extension will be on the PUC agenda for September 26, 1978, for permission to begin neighborhood group contacts.

Kirkland Division-Construct New Facility

Commissioner Sanger asked if it has been determined essential to retain and/or replace the Kirkland facility if Muni goes ahead with another facility.

Mr. Green stated it was recommended that Muni not go ahead with the U.S. Steel facility, and that Kirkland be retained.

Mr. Matoff added that space provided by the U.S. Steel facility and the Presidio Division would not be large enough to warrant closing Kirkland. There are six operating divisions, and three from which diesels would be operated.

Mr. Green stated that a study has concluded that Muni needs a minimum of two diesel divisions. A property was sought to replace Kirkland, but all potential sites were found impossible to acquire in the best interests of operation. It was decided to retain Kirkland.

President Henning stated that this is a matter of sufficient importance to require a calendar item for the first PUC meeting in October. The calendar item would deal with the relative cost of 3 diesel divisions vs. 2 diesel divisions.

Mr. Matoff stated that this information is provided in documents provided to the Commission.

Commissioner McCrea suggested accepting the item as a method of getting money in the budget, and then reviewing it in some detail.

Purchase of 100 Articulated Coaches

Commissioner Sanger questioned a cost of \$200,000 apiece for articulated coaches.

Mr. Thomas A. Mullaney, Senior Civil Engineer, Municipal Railway, stated that the Los Angeles system paid \$160,000 to \$175,000 apiece for these coaches, and is just now receiving them.

Mr. Green added that Muni had been a part of the consortium, and was to receive 35 buses, but this was voted down by the Board of Supervisors.

Commissioner Pilcher asked what happens to articulated coaches when they try to pull out of stops downtown.

Mr. Green replied that the steering apparatus is constructed to allow a greater flexibility and movement of the coach.

Mr. Wentz commented that Muni is authorized to test the Icarus bus from Hungary, and Mr. Green added that the bus will be in San Francisco well in advance of any commitment.

Commissioner McCrea asked if one articulated bus would replace one GM bus.

Mr. Matoff replied that the first page has a recapitulation showing the total fleet that would be required to operate the POM study. There would be 380 standard motor coaches and 92 articulated motor coaches. The net carrying capacity of Muni would be increased by about 10 percent.

Elderly and Handicapped Accessibility Improvements

Commissioner Sanger asked if the plan is to have 50 coaches retrofitted with lifts.

Mr. Wentz stated that a report on retrofitting will be given to the Commission in about 30 days.

Commissioner McCrea commented that Muni staff has indicated it would not be possible to retrofit 50 coaches in FY-1978-79, and that this project is totally contrary.

Mr. Green stated that the purchase of 25 advance design buses does not meet federal regulations for the coming budget year.

Mr. Wentz explained that the inconsistency is the difference between the point of commitment or obligation of funds, and the point of completing the program and placing it in service. Muni will encumber itself to retrofit.

Commissioner McCrea stated that the Commission was told it was necessary to purchase the 25 advance design buses, and that Muni could not retrofit any buses within the next year.

Mr. Green explained that the requirements have been changed within the past week. Muni could show its intent to begin a retrofit program.

Mr. Wentz said the 25 buses satisfied the 1977-78 commitment.

Mr. Thomas Matoff explained that 5 percent of the Federal capital program in each fiscal year is for the purpose of elderly and handicapped assistance and that \$1.4 million meets that percentage.

Commissioner Sanger commented that it will be necessary to experiment with various lifts, and retrofitting could not begin until next fall.

Mr. Matoff commented that under Federal regulations it is necessary to obligate a certain amount of money.

Commissioner Sanger suggested changing the language to read "... funds for the purpose of....".

Commissioner Pilcher moved to amend Item d to encumber \$1.4 million for the purpose of retrofitting 50 coaches for service in 1979-80. Commissioner Sanger seconded the motion, which was unanimously adopted.

Signs for Bus Stops

Mr. Rino Bei, Program Manager, Transit Improvement Program, stated a test sign is installed at Geneva and Mission Streets. Signs will have the Muni logo, and show the frequency of runs by hours and days. Route maps would be inside shelters. It is planned to come back to the Commission within the next few weeks to authorize a bid call.

President Henning directed that this item be calendared for the Commission meeting of October 10, 1978.

Woods Division Expansion

Commissioner Pilcher stated that there has been discussion regarding acquiring the property and relocating residents. Muni was to come back to the Commission with an appraisal.

Mr. Green explained that there have been some meetings with the community, but the total program is not ready as yet. An EIR will be required.

Construct 8 Rest Rooms

Commissioner Sanger questioned land costs of \$600,000.

Mr. Green said commercial property is involved.

Replacement of Radios in Buses and Service Vehicles

Commissioner Sanger asked why this item is shown in the third year.

Mr. Rino Bei explained that UMTA requires that at least 10 years elapse before a radio can be replaced.

Mr. Green added that Muni will be back with a request to extend the contract. This year UMTA is being asked to extend the present contract to include the 400 low band radios.

Purchase of 15 Trolley Coaches

Commissioner McCrea commented that this seems inconsistent with what Mr. Moore has described as the inability to electrify new routes.

Mr. Matoff explained that these coaches would be purchased in fiscal year 1982-83.

Commissioner McCrea requested that the Commission be given a schedule.

President Henning opened the meeting to the public.

Mr. Lawrence B. Martin, President, TWU Local 250A, stated that the TWU is concerned with the articulated coach, as it is unsafe in San Francisco. Los Angeles, Oakland and Golden Gate Transit have larger streets. The articulated coach has a 1-1/2 to 2 inch play, and would cause some accidents here. He said the coach has three doors, and another operator would be needed because of a revenue problem. The union requested an EIR for these coaches, as San Francisco is such a compact area, and this has never been done.

Referring to the elimination of overcrowding by using articulated coaches, Mr. Martin said there will be overcrowding of streets.

Commissioner Pilcher said she was surprised that Muni is considering articulated coaches for downtown routes. She inquired if a study has been made.

Mr. Matoff stated that some work has been done. He said these coaches were again recommended by Wilbur Smith, Consultant.

Commissioner Pilcher asked if it is possible to borrow an articulated bus.

Mr. Wentz stated that Muni did borrow one once, but will do so again.

Mr. Matoff added that some of the most congested cities in the world have articulated buses in downtown areas.

Mr. Martin stated that rest rooms might be the number one priority for the health and welfare of all operators, including women operators. They are a high cost item even to lease.

Commissioner Pilcher commented that the Board of Supervisors has been finding that a requirement of separate rest rooms is unconstitutional.

Commissioner McCrea added that the standard for the National Park Service is to combine services.

Mr. Martin said signs are needed, as Muni loses money because it does not have signs and route maps.

Regarding Cable Car Barn rehabilitation, Mr. Martin stated there is a problem of adequate parking.

President Henning suggested plastic tags for windshields, and Mr. Green explained that when cable car facilities are rebuilt, there will be 14 stalls for parking.

Mr. Martin said that radios should be considered as a high priority item due to safety problems.

Commissioner Pilcher stated that existing radios will be replaced in two years to conform to radios being purchased now.

Mr. Green added that Muni is trying to by-pass red tape by having UMTA replace low band radios now.

Commissioner McCrea moved, Commissioner Sanger seconded, and the Commission unanimously adopted the CIP for the Municipal Railway with amendments.

ITEM NO. 7--Discussion of scheduled runs missed by the Municipal Railway.

Following a discussion between staff and Commission regarding the format for the weekly revenue-equipment condition report, President Henning directed staff to come back with a new format.

Commissioner McCrea stated that maintenance items should be included.

Mr. Green said one of the problems is that staff came to the Commission last year with a budget for certain goals. The final budget did not include what had been requested. Muni continues to reach for goals without the necessary funds. He said that with the resources available the maintenance department is doing a magnificent job.

Commissioner McCrea commented that four months ago Mr. Duarte laid out on the board, knowing the constraints, a series of commitments as to the type of maintenance he was going to provide.

Mr. Green explained that some things planned did not materialize and Muni finds itself with problems it did not anticipate. It was thought that Muni would be able to get a 7-day week without paying overtime for Sundays.

Mr. Frank Baggetta, Acting Transit Equipment Supervisor, explained that overtime for craft wages was substantially reduced by the Board of Supervisors.

Commissioner McCrea suggested that Mr. Green come back to the Commission with a new set of objectives with the money budgeted. It will be necessary to obtain a supplemental appropriation or accept the present situation as a normal mode of operation. This should be explained to the Board of Supervisors. He said there should be some type of service relationship to the budget Muni now has.

President Henning directed that an item in terms of a new format and reporting procedures, and new Muni goals be calendared for the PUC meeting of October 24, 1978.

THEREUPON THE MEETING ADJOURNED: 5:17 P.M.

Romaine A. Smith
SECRETARY

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:30 P.M.

September 26, 1978

NOV 28 1978

DOCUMENTS DEPT.
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COMMISSIONERS

- John F. Henning, Jr., President
- Claire C. Pilcher, Vice President
- H. Welton Flynn
- Peter McCrea
- John M. Sanger

DEPARTMENTS

- Municipal Railway
- Hetch Hetchy Project
- Water Department

BUREAUS

- Accounts
- Public Service
- Personnel & Training
- Safety
- PUC Computer Center

John B. Wentz
GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith
SECRETARY

Call To Order: 2:36 P.M.

Present: Vice President Claire C. Pilcher, Commissioners H. Welton Flynn, Peter McCrea, John M. Sanger

Absent: President John F. Henning, Jr.

Vice President Claire C. Pilcher presided in the absence of President John F. Henning, Jr.

The minutes of the special meeting of September 11, 1978, were approved.

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO.

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0388 HH Approving supplemental appropriation, amount \$101, to provide funds for payment of a retroactive salary adjustment.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0389 HH Approving supplemental appropriation, amount \$603, to provide funds for payment of a retroactive salary adjustment.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0390 HH Accepting as satisfactorily completed work under HH Contract No. 573- Replace, Repair and Paint Trolley Poles, Various Locations; approving debit modification of \$6,143.41; and authorizing final payment of \$24,267.69 to Mahoney Electric Company, Contractor.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0391 HH Accepting as satisfactorily completed work under HH Contract No. 552- J.N. No. 22 and No. 33 Lines, Underground Power Facilities and Related Work; approving credit modification of \$7,929.43; and authorizing final payment of \$19,442.07 to Amelco Electric, Contractor. (Power Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0392 W Approving supplemental appropriation, amount \$679, to provide funds for payment of a retroactive salary adjustment.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0393 M Authorizing bid call for Contract No. MR-716R-Turk Street Office Building, Alterations to Offices. Estimated Cost: \$30,000.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0386 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$130,500.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0394 HH Approving supplemental appropriation, amount \$41,000 to provide overtime funds for Hetch Hetchy's electrical line workers for Saturdays and Sundays for the balance of the fiscal year.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0395 HH Authorizing execution of a professional services agreement with Hurdman and Cranstoun, Certified Public Accountants, in conjunction with the annual audit to appraise the properties of the Water Department and Hetch Hetchy as of June 30, 1978, at a total fee not to exceed \$28,500.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0396 W Authorizing the execution of a 2.9 + acre lease to Rolm Corporation for purposes of parking and land capping of certain property under the jurisdiction of the Water Department located in Santa Clara County for a term of 30 years commencing October 1, 1978, and terminating September 30, 2008, at an annual rental of \$21,000 and further subject to a rental adjustment at the end of each 3-year term in direct proportion to the percentage change of the Consumer Price Index, plus payment of taxes and assessments thereon.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0397 W Approving modification of contract to increase the maximum consultant's fee from \$175,000 to \$190,000 to cover additional work needed under Professional Services Contract PS-152 with Garretson, Elmendorf, Zinov, Reiben, Architects and Engineers, for the proposed Millbrae Suburban Headquarters.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolutions were adopted:

Awarding and approving ten (10) grazing lease bids in Alameda/Santa Clara Counties for a term of three years.

- 78-0398 (a) W Parcel A- to Dan Gamache- 16 acres at a yearly rental of \$440.
78-0399 (b) W Parcel B- to William Hartin- 170 acres at a yearly rental of \$2,465.
78-0400 (c) W Parcel C- to Jim Palen- 160 acres at a yearly rental of \$3,680.
78-0401 (d) W Parcel D- to Duane Martin- 500 acres at a yearly rental of \$9,550.
78-0402 (e) W Parcel E- to Carl Zwissig-385 acres at a yearly rental of \$10,202.50
78-0403 (f) W Parcel F- to Ervin Vasser- 750 acres at a yearly rental of \$17,250.
78-0404 (g) W Parcel G- to Richard Mendoza- 265 acres at a yearly rental of \$4,014.75.
78-0405 (h) W Parcel H- to Adelaide Minett- 1200 acres at a yearly rental of \$26,520.
78-0406 (i) W Parcel I- to Jim Palen- 1807 acres at a yearly rental of \$12,739.35.
78-0407 (j) W Parcel J- to Ken H. Earp- 1910 acres at a yearly rental of \$15,471.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

- 78-0408 W Rejecting grazing lease bids for Parcels "K" and "L", and authorizing the Acting General Manager and Chief Engineer of the San Francisco Water Department to negotiate with the bidders of Parcels "K" and "L", or any other person or parties, for lease of the said Parcels, for grazing purposes at a minimum rental of \$20.00/ac/yr for Parcel "K", and \$18.00/ac/yr for Parcel "L".

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0409 M Awarding Vending Machine Agreement for the exclusive operation of a vending machine service on various Municipal Railway properties under the jurisdiction of the PUC to Ara Services, Inc. from October 1, 1978 to September 30, 1979, the annual consideration to be a minimum of \$3,000.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

- 78-0410 M Approving modification in the debit amount of \$16,800 to provide funds for additional work under a Professional Services Agreement between Muni and its consultant, Esherick, Homsey, Dodge, and Davis, & Rutherford and Chekene- a Joint Venture-Architects and Engineers for the reconstruction of Forest Hill Station, and authorizing the General Manager of Public Utilities to execute said modification. (Transit Improvement Program)

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0411 M

Authorizing the submission to the Urban Mass Transportation Administration (UMTA) of a Title VI Report showing the distribution of Municipal Railway Transit vehicles.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER- Mr. John B. Wentz
ABAG Action

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water and Power, reported that on September 8, 1978, ABAG concurred in Hetch Hetchy's grant application for the Transit Overhead Program.

Chlorine and Asbestos in Water

Mr. Eugene J. Kelleher, Acting General Manager and Chief Engineer, San Francisco Water Department, reported that on September 25, 1978 the Board of Supervisors adopted a policy to discontinue the use of chlorine in the wastewater system. There will be a meeting with Mr. Roger Boas, Chief Administrative Officer, on September 27, 1978 to determine how this affects the Water Department.

Responding to a question from Commissioner Pilcher, Mr. Kelleher stated that the cost of conversion to sodium hypochlorite would be \$1 million a year in operating cost and about \$1 million in capital costs. There would be an increased charge of \$1.96 bi-monthly for the average resident based on 14 units. It would cost \$500,000 to convert in San Francisco, and there would be an increased cost of \$15,000 a year. It would be necessary to purchase a truck and hire another driver.

Mr. Kelleher reported that a meeting was held this morning with officials of the State Department of Public Health regarding asbestos in the water supply. The University of California students' doctoral thesis was discussed with staff members from water suppliers in the Bay Area. It was stated that the study was an "interesting observation". Mr. Kelleher commented that the contents of asbestos fibers from natural sources is fairly high in Crystal Springs and Calaveras Reservoirs. It is a problem common to the entire pacific coast. It was indicated that filtration methods will be studied in an effort to eliminate asbestos. Water agencies do not have the complicated and elaborate systems for measuring the asbestos content of water. University of California and Stanford University research laboratories are able to do this at a cost of about \$300 for one sample. If a modified filtration method is required the Department will have to ask for additional money in the budget.

Commissioner Sanger asked if the character of naturally produced asbestos is any different than that manufactured..

Mr. Kelleher replied that there is no correlation on that yet. Asbestos in the water supply may be questionable. He said asbestos has been present in the water supply since "day one".

Testing of LRV No. 1222

Mr. Curtis E. Green, General Manager, Municipal Railway, reported that Boeing Vertol completed its own testing of this car on September 20, 1978. There are problems in the operation of the doors. Today the car was returned to BV, and it is expected that the car will be returned to San Francisco within a few days. There is a 30-day test period, and since Muni is not satisfied with the doors, the "clock stops" regarding the test at this moment.

Stolen Cable Car Bushing

A few weeks ago a theft was reported of a cable car bushing from the Woods facility. Mr. Green reported there has been a conviction. The man convicted, an employee of a contracting company, has been fined \$500, placed on probation, and ordered to pay Muni restitution costs.

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Jitney Permits

Mr. Green reported that the jitney permit matter was put over an additional two weeks by the Board of Permit Appeals.

Commissioner Pilcher said she understood that the issue was voted upon, and then the vote was rescinded.

Mr. Green replied that this was the case, and that the matter is scheduled to be heard October 4, 1978.

Commissioner Sanger asked if a written submission has been made to the Board of Permit Appeals.

Mr. Green replied that the presentation was oral, but that Board members were given documents concerning the proposed increase in passengers from 12 to 25.

Commissioner Pilcher stated it is important to present something in writing to the Board of Permit Appeals.

Revision of the PUC Rules of Order

Ms. Romaine A. Smith, Secretary, PUC, reported that at the September 12, 1978 meeting the Commission requested that meetings begin at 2:00 P.M. She said this would require a change of Rule 7. Rule 3 states that two weeks notice must be given. Also pending is the report from the committee established by the Commission to revise the Rules of Order. Committee members are Commissioners McCrea and Flynn. On September 12, 1978, it was brought out that Rule 14 regarding powers of the President has been changed from what it was previously. Secretary Smith asked if the Commission wished to go forward with the 2:00 P.M. meeting change separate and apart from other rule changes. She stated that notice must be given. The Commission could designate at today's meeting that two weeks from today Rule 7 will be revised.

Commissioner Flynn moved that the public be advised that at the PUC meeting of October 10, 1978, the Rules of Order will be revised so that meetings will commence at 2:00 P.M. instead of 2:30 P.M. Commissioner Sanger seconded the motion, which was unanimously adopted by the Commission.

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Commissioner Sanger asked if the Commission could initiate a proposed amendment to the Police Code by stating it has become evident in the proceedings before the Board of Permit Appeals that the absence of a definition of a jitney in the Police Code is a reason why the Board of Permit Appeals is finding more difficulty with the issue than the Police Commission has. The amendment to the Police Code could define a jitney as a vehicle of passenger capacity not in excess of 14.

Mr. McMorris M. Dow, Utilities General Counsel, stated there is a schedule of fee charges in the Code for the annual use of a jitney permit. It is a sliding scale based on the capacity of the jitney. The higher scale for a jitney carrying 15 or more passengers is \$80 a year. If the capacity is limited to 14 passengers, it may hurt some operators already in the business.

Mr. Bartholomew commented there are now 4 permits for jitneys with 15 seats.

Commissioner Pilcher stated she understands legislation allows 2,000 jitneys. She said she was told by a Commissioner on the Board of Permit Appeals that perhaps 700 permits have been authorized. She said she would like to have the Commission look into this matter.

Mr. Dow said the Commission could adopt a resolution spelling it out--stating that a jitney is defined as a vehicle that has no more than a seating capacity of 15. A proposed ordinance could be sent to the Board of Supervisors.

Mr. Dow stated that 1,000 permits are authorized for jitney service on Market Street.

Mr. Green commented that State law governs traffic on the street. A bus is any vehicle carrying 12 or more passengers.

Mr. Dow stated he thinks it is 10 or more passengers.

Commissioner Pilcher stated that in the presentation before the Board of Permit Appeals it might be argued that State law supercedes City law.

Mr. Green commented that the law states that the jitney is a bus.

Commissioner Sanger stated this matter needs to be clarified locally. He asked that Mr. Dow report back to the Commission.

Mr. Wentz commented a comprehensive report will be developed on these questions in the form of a calendar item.

Commissioner Sanger said that he is concerned about the routes on which jitneys are allowed to operate.

Commissioner Pilcher stated there was a concern that a particular applicant was asking to run on certain routes at certain hours, and would thereby have preferential treatment. She said this matter must be addressed.

Berliet Bus

Mr. Green reported that the Berliet⁴ bus will be delivered to the Woods Division on September 27, 1978. The Commission and staff are invited to witness its arrival at 9:00 a.m. It will be demonstrated on the 14X line, the 17X line and the 15 line. It is planned to issue passenger cards, and to issue a press release after arrival of the coach announcing that it is being tested in the City.

The President and members of the Transport Workers Union are also invited.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS Computerized Maintenance Monitoring

Commissioner Pilcher said she wondered if staff of Muni is aware that the Chicago Transit Company has a computerized maintenance monitoring system. Chicago is willing to discuss Muni's sharing in their terminal if it is physically feasible.

Mr. Green stated that Mr. George M. Duarte, Deputy General Mgr., Engineering and Maintenance, has the report and will advise him.

Damaged Track in Tunnel

Commissioner Pilcher asked if anything has been done about the damaged track in the Twin Peaks Tunnel.

Mr. Wentz stated that staff is awaiting an opinion from Mr. Dow as to what can legally be done. Muni is ready to go to bid for repairs.

Commissioner McCrea asked why the contractor's inability to obtain materials should be a legitimate excuse for delaying completion of the contract.

Mr. Moore replied that this is in the City ordinances. He said there are 69 reasons why a contractor should be excused from performing and they are listed therein.

Commissioner McCrea asked if this matter could be re-opened, as this is almost a built-in way for the contractor to extend the time.

Mr. Moore added that in order for a contractor to be found derelict he has to refuse to show up for work.

Commissioner Pilcher suggested that Mr. Moore consult with Mr. Dow.

Mr. Wentz commented that there is a committee on which Public Utilities is represented. This committee is reviewing all of the City's contract procedures, and is chaired by Mr. Richard Sklar, Director of Projects, Wastewater Management.

Commissioner McCrea commented that Mr. Harvey Rose's report stated the Commission had been derelict in not going to the Board of Supervisors to have ordinances changed.

Resolution No. 78-0394--Approving supplemental appropriation, amount \$41,000 to provide overtime funds for Hetch Hetchy's electrical line workers for Saturdays and Sundays for the Balance of the fiscal year.

Responding to a question from Commissioner Sanger, Mr. Moore replied that the Board of Supervisors authorized an expenditure of \$200,000 on an emergency basis for Hetch Hetchy to retain contractors to do overhead line work. He said Hetch Hetchy still has three (3) vacancies. The contractor has been performing work on Hetch Hetchy's order in an effort to get Hetch Hetchy caught up. Because of his profit and the less effective overhead work by the contractor's linemen and foremen, it is costing the City about double what it would cost to use Hetch Hetchy forces. The contractor lineman's rate is 25 percent higher, and the overhead figure is higher. There is a problem in that Hetch Hetchy is competing with contractors for workers. In addition, the contractor's employees have been less productive, probably because they have not been trained in this type of work. There are very few trolley systems in the United States, and linemen in the union hall are not trained in overhead work.

Commissioner Pilcher asked if anything is being done to have the Civil Service rules changed.

Mr. Moore replied that Civil Service has been asked to make a classification survey to determine if this classification shouldn't be considered separately, but nothing has been done to date.

Commissioner McCrea directed that a letter be sent to the Finance Committee outlining the situation.

Resolution No. 78-0395--Authorizing execution of a professional services agreement with Hurdman and Cranstoun, CPA's, in conjunction with the annual audit to appraise the properties of the Water Department and Hetch Hetchy as of June 30, 1978, at a total fee not to exceed \$28,500.

Commissioner H. Welton Flynn commented that by changing the procedures this amount is \$11,500 less than when the item was brought to the Commission the first time.

Resolution Nos. 78-0398 thru 78-0407--Awarding and approving ten (10) grazing lease bids in Alameda/Santa Clara Counties for a term of three years.

Commissioner Flynn asked why the rent on parcels C and D declined.

Mr. Kelleher explained that C,D,E, and F,G &H were parcels on which people had an option to lease for three years. Last year C,D and E were leased by one party. A dispute jacked the price up last year. This year it is down to a reasonable bid. He said the average is \$18 per acre, which is a fair market price. There is a fluctuation in price because some locations are better than others for grazing. Land in canyons is cheaper. Also, the land is leased on open bid, and it depends upon how much a bidder wants a particular piece of property. There is an option for an additional three (3) year term at a negotiated rent.

Resolution No. 78-0409--Awarding Vending Machine Agreement for the exclusive operation of a vending machine service on Muni properties to Ara Services, Inc., from October 1, 1978 to September 30, 1979, the annual consideration to be a minimum of \$3,000.

Responding to a question from Commissioner Flynn, Mr. Green stated the maximum annual consideration from the previous vendor was \$3536. He said Muni employees are dissatisfied with the present vendor, who did not bid.

Mr. Lawrence B. Martin, President, TWU Local 250A, stated that the union has never had an opportunity to be involved in this matter, and he asked if it could be put over.

Mr. Wentz said there were only 2 bids, one of which was totally unresponsive.

Mr. Green commented that ARA Services, Inc. is the leading food and soft drink vendor in the county.

Commissioner Pilcher directed that in the future staff make it a practice that the union is made aware of actions which affect drivers.

Resolution No. 78-0396--Authorizing the execution of a 2.9 + acre lease to Rolm Corporation for purposes of parking and landscaping of certain property under the jurisdiction of the Water Department located in Santa Clara County for a term of 30 years commencing October 1, 1978, and terminating October 30, 2008, at an annual rental of \$21,000, and further subject to a rental adjustment at the end of each three-year term in direct proportion to the percentage change of the Consumer Price Index plus payment of taxes and assessments thereon.

Commissioner Pilcher asked what changes have been made in the proposed lease since it was last on the calendar.

Mr. Kelleher stated that the Commission said staff could bring the proposal back provided lessee would pay the 8 percent. If a lower rate is established, Rolm Corporation would want to receive the benefit of it.

Commissioner Pilcher commented that there is a paragraph in the resolution which states that the Commission agrees to an annual rate of return. It does not say lessee agrees to a lease of 8 percent.

Mr. Kelleher stated that if no further action is taken it would stand at 8 percent.

Commissioner Pilcher commented that the statement which suggests as a condition making a change in 120 days should be corrected.

Mr. Kelleher noted that at the Commission meeting of September 12, 1978, it was changed from 120 to 90 days.

Commissioner Pilcher said she is concerned that the resolution be accurate.

Mr. Kelleher stated that staff was requested to look into what the return should be for this type of property. This has been discussed with Mr. Wallace Wortman, Director of Property. An NAI appraiser is studying another piece of property, and this property has been added to his scope. Results of this study will not be known for 60 days. If the results come in at 8 percent, Rolm Corporation would be willing to pay that amount.

Commissioner Flynn stated that the clause agreeing to an annual rate of return less than 8 percent within 90 days of commencement of lease is a "crazy" condition.

Mr. Howard N. Nemerovski, Attorney for Rolm Corporation, stated that his letter to the Commission dated September 22, 1978, is self-explanatory. He advised that Mr. Don Smith of Rolm Corporation and Mr. Donald Harms, appraiser with Transamerica Real Estate Management, were present to answer questions.

Mr. Nemerovski stated that his client must get on the land now, but it is felt that the possible discount with respect to the rate should be considered by the Commission. He said he could not determine if the Commission has an established policy that all leases will be at an 8 percent rate.

Commissioner Pilcher stated that the Commission does not have an established policy, but considers each individual lease.

Commissioner Sanger commented that in recent years, the Commission has been increasing the amount to 8 percent or more. Practically all leased property is somewhat encumbered.

Mr. Nemerovski asked if it would be helpful for the Commission to hear from Mr. Donald Harms.

Commissioner Sanger commented that the lease must be considered in its entirety, and 30 years is a long lease. He said that perhaps assigned Market value would be useful. An 8 percent rate could be low due to future changes in the value of money.

Mr. Harms stated that given the circumstances of a 30-year lease and the fact that the property use is limited to no more than a parking lot, it is felt that its value would be 1/2 the fee simple value of unencumbered land. He said he has discussed this matter with several other appraisers.

Responding to a question from Commissioner Sanger, Mr. Harms explained that Rolm Corporation has a building going in on a parcel adjacent to this area.

Commissioner Sanger asked if this building would be useful for a 30-year period.

Mr. Harms stated that over a period of 30-years the zoning could change.

Commissioner McCrea commented that the value of this property is really dependent on alternatives, and there is the alternative to purchase adjacent land.

Mr. Nemerovski said his client does not intend spending between \$50,000 and \$100,000. He said his reaction is that there is no legal precedent.

Commissioner Sanger said that Rolm Corporation delayed pursuing the lease for three years, and that a 30-year lease so far below the current borrowing rate for money will be questioned by Mr. Harvey Rose, budget analyst for the Board of Supervisors.

Mr. Nemerovski commented that the City is protected by a rental review every three years in accordance with percentage increase or decrease in the Consumer Price Index. He asked if the Commission is about to establish a policy for everybody.

Commissioner McCrea agreed there is a certain amount of protection, but the history of real estate values has exceeded the price index by many percentage points.

Commissioner McCrea moved that Resolution No. 78-0396 be adopted with deletion of the paragraph for retroactive change.

Commissioner Flynn seconded the motion, which was unanimously adopted by the Commission.

Commissioner Pilcher commented that her personal stance on policy of the Commission is that she does not want to see the Commission tied into some lock-step policy because each piece of property is different. It would be a dereliction of duty to set some 5 or 8 percent rule. She said that based on the Commission's performance to date, Rolm Corporation is not being singled out or punished. The Commission will do the best it can for the City.

Mr. Nemerovski stated that the question has to do with stability, and that the flow of commerce may be restricted by such a policy.

Commissioner Flynn commented that grazing leases do not yield the same amount. Commission has to allow staff to do its work, but the Commission makes the final decision.

Resolution No. 78-0419--Approving modification in the debit amount of \$16,800 to provide funds for additional work under a professional services agreement between Muni and its consultant, Esherrick, Homsey, Dodge, and Davis & Lutherford and Chekene--a Joint Venture--Architects and Engineers, for the reconstruction of Forest Hill Station.

Mr. Wentz stated a progress report will be submitted to show the status of the architects' work, and why additional work is needed.

Commissioner Pilcher asked if there is a Federal directive.

Mr. Rino Bei, Program Director, TIP (Transit Improvement Program), replied affirmatively, and stated that the consultant was to incorporate the existing station and its costs into the design. The Commission and UMTA will make the decision on the final design. The consultant was given the assignment with no pre-determined construction scheme--but now has a recommended scheme to meet all requirements. The historical preservation issue has been addressed.

Commissioner Sanger stated that the Commission was to receive two recommended schemes.

Mr. Bei noted that if the consultant commenced the design and found he could incorporate the existing station into the total design he was to go forward. If he could not do so, he was to come back and report to the Commission why this could not be done. A meeting was held with the Heritage Foundation two weeks ago, and this is a status report.

Mr. Wentz added that the Commission will ultimately have two equally detailed proposals before it. One will be the optimum design not involving the preservation of the existing station. The other will be a plan showing how the existing station can be used. A hearing will be held which will be recorded and sent to UMTA. The Commission and UMTA will decide which of the two plans are to be implemented.

Commissioner McCrea stated that at a PUC meeting in July, the Commission agreed to disagree on numbers of passengers, and staff was to come back and tell the Commission the justification for the numbers before beginning the design.

Mr. Peter Bank of Rutherford and Chekene, stated that he was at that meeting. At that time it was decided that the number of passengers which had been presented by TIP staff was not a number which in itself could be taken as a criteria. Mr. Bank stated that consultant has made patronage studies. Muni files, the Wilbur Smith reports, the POM study, and traffic records from Department of Public Works have been studied. The variety of traffic patterns and users have also been considered, as well as various bus routes. Platform width has been evaluated, as well as comparable width at comparable stations.

Mr. Bank made a brief presentation by means of several drawings. He said at least 20 schemes were studied, and it is felt the scheme presented is a workable scheme, and possibly the best one for the site. Consultant has come to this point because UMTA is interested in knowing what consultant has been able to come up with as quickly as possible. The proposal does not preserve the existing building for consideration by UMTA and the Advisory Council on Historical Preservation requirements.

Mr. Bank pointed out that the site is a busy intersection, and passengers cross Laguna Honda Boulevard right now to enter the station. Some buses make a U-turn. In the proposed scheme buses have been separated from the main traffic by taking them into a loop. One of the biggest concerns is impact on local traffic. This has been analyzed with traffic engineers, and difficulties are to be resolved by a combination of lights and phasing of traffic, which will improve the traffic situation. The Laguna Honda shuttle bus will have its own access to the station.

Mr. George Homsey of Esherick, Homsey, Dodge and Davis then spoke. He stated that the setting is not a typical urban problem, but is almost a park like setting, interfaced with a high density traffic problem. He said the scheme separates traffic in a horizontal manner. Patrons get off buses which are routed around an island. Consultant is trying to preserve the area. Patrons will get off under cover and get down to the mezzanine by means of escalators and elevators for the handicapped on the easterly side. On the westerly side patrons can walk down or enter the station by going down an escalator. At each end of the station there are large landscaped openings for light and air. On going down one enters into a mezzanine area, and the concourse below opens up. There will be light and air and sunlight down to the track level.

Consultant has tried to take a sensible look at restoration of the tunnel itself. It will be demolished to a reasonable portion of the station and will retain as much as possible of the existing station. It will provide services for the station without deep excavation.

Commissioner Sanger asked if the scheme would be better if it had middle loading platforms.

Mr. Homsey replied that center or wide platform stations are not working well with BART. They would incur new construction.

Mr. Bei added that rerailing could be accomplished, but would necessitate shutting down the entire streetcar system.

Commissioner Sanger commented that there are two elevators.

Mr. Bei said this is similar to the Castro and Church Street stations.

Mr. Homsey added that there are four (4) elevators from the ground level to the mezzanine level.

Commissioner McCrea asked about the disadvantages perceived in the alternative of saving the existing building.

Mr. Homsey replied that in order to allow this building to exist there are structural problems. It lands on the existing tunnel, which is the basic disadvantage.

Commissioner Sanger commented that consultant is designing a station across Laguna Honda Boulevard with access from both east and west sides. The center of the action has been moved to the east side of Laguna Honda Boulevard. He asked why consultant discarded the idea of only loading the station from one side, and how many passengers consultant assumed would be using the station.

Mr. Homsey stated that the traffic situation would be resolved in the area.

Commissioner Sanger asked if the number of buses that will turn left has been reduced.

Mr. Bank replied that with the present station buses either go on or make a U-turn. The proposal has buses centered around their own area out of traffic. He said buses, pedestrians and cars are now mixed, creating a dangerous situation.

Responding to a question from Commissioner Sanger regarding the number of buses, Mr. Bank stated that at peak periods three (3) buses arrive at the same time. Mr. Bank explained there is also a "kiss ride" which is the auto passenger being dropped off to catch a ride.

Mr. Bei stated that the station goes to the other side of the street underground.

Commissioner McCrea asked what led the consultant away from the simple solution of implementing the original design of Forest Hill Station and putting in a second elevator.

Mr. Homsey replied that from a design standpoint consultant is trying to make the station as open and clear as possible in order that a patron can see where he is going. In order to make the original station a functioning part of the design it would be necessary to penetrate further down, and there are structural problems.

Commissioner McCrea asked what design criteria, either specified or implied, led consultant away from continuing to use the existing elevators and put another elevator shaft down on the other side of the street.

Mr. Bank replied that the slope of the ground, the proximity of an apartment building and traffic problems all negated that scheme. He said the preservation scheme would have a similar circulation. A major modification would be how to change the entrance to seriously use the building. He said the preservation scheme will be a variation of the scheme presented.

Commissioner McCrea commented that consultant has skipped over a number of alternatives because he began with a design conception which required a mezzanine.

Mr. Bank replied that some alternatives without a mezzanine were considered.

Commissioner McCrea asked about the problem of putting elevators on the other side of the street.

Mr. James Wallsten, Senior Architect, TIP, stated that the center of the street is off-set by 80 feet, and elevators would end up at the very end of the platform.

Mr. Bei commented that elevators do not lend themselves to high volume traffic. If an escalator breaks down it can be used as a set of steps.

Commissioner Sanger commented that the volume in the Bank of America far exceeds anything that will be needed in Forest Hill Station, and that elevators can carry people.

Mr. Bei commented that he does not know of a single transit operation that uses elevators today.

Commissioner Sanger stated that he gets the impression that traffic circulation is the driving factor in the entire design of the station. He said his understanding of the POM study is that it will reduce the number of bus movements that have a potential for conflicting with traffic. He said four (4) bus lines stop at Forest Hill Station.

Mr. Wallsten commented that other elements have come into focus. There is the waiting "kiss ride". Since this will be a fast system downtown there will be a major increase in "kiss rides". Also, operations staff will find the site a good place to store buses for special events, and there will be space for buses for intermediate hold overs.

Commissioner Sanger made a motion approving modification in the funding under the agreement, and Commissioner McCrea seconded the motion.

Commissioner Sanger commented he would prefer not hearing repeatedly that this is the optimum concept and preservation scheme as required by UMTA, as the whole purpose was to look at two schemes.

Commissioner McCrea added that consultant should try to make Forest Hill Station work for the least amount of money and preserve the original station. There should be better ground rules for design parameters.

Commissioner Sanger stated that he understands that the scheme to be presented involving preserving the existing station will be one that could be adopted by the Commission as a station and would be different from this concept. San Francisco should have the best possible transit station at a reasonable cost, he said.

Mr. Homsey commented that the scheme presented is based on traffic considerations. It has flexibility for the future. From the standpoint of preserving the building, a certain amount of this scheme will be useful.

Commissioner Sanger said he has serious reservations about the maximum separation of auto and bus traffic at the expense of everything else, as this is not an urban situation and not a major artery.

Commissioner McCrea asked how Commission will resolve what the criteria will be for preservation.

Mr. Bei replied that the prime consideration would be preserving the station.

Commissioner Pilcher commented that knowing the firm and the charge, consultant will come up with a plan for preserving the station and will present it to the Commission with all of its flaws.

Commissioner Sanger made a motion to amend his prior motion to include that the resolution of any existing or foreseen problems in surface circulation of buses, automobiles and pedestrians be considered only as one factor in the preservation of the existing building. Commissioner McCrea seconded this motion. The original motion together with the amendment was unanimously adopted by the Commission.

ITEM NO. 17--Discussion on the background and current status for the extension of the J-Church Line to the Muni Metro Center.

Commissioner Pilcher asked for comments from the public.

A man in the audience asked the planned route of the extension.

Mr. Rino Bei said a proposed route would go from the present terminus at 30th and Church Streets, through the Bernal cut, along San Jose Avenue to Ocean Avenue and continuing on San Jose Avenue.

Another proposed route would go along Dolores Street. There is no plan to remove the palm trees. This will provide extension of service on the J Line. A terminal for this extension has not been decided upon. One possibility is the Muni Metro Center. Another possibility is in the vicinity of City College, or San Francisco State University.

Mrs. Schroeder, a lady in the audience, stated that a petition with 500 names to make Dolores Street an historical landmark has been presented to Muni, the Commission, and the Board of Supervisors. She said there should not be a streetcar line on Dolores Street.

Commissioner Pilcher advised that the item before the Commission is to consider the feasibility of holding public hearings.

Mr. Bei added there will be meetings held in each neighborhood.

On motion of Commissioner Flynn, seconded by Commissioner McCrea, the Commission unanimously voted to hold public hearings.

THEREUPON THE MEETING ADJOURNED: 5:00 P.M.

Romaine A. Smith
Secretary

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M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:37 P.M.

October 10, 1978

NOV 28 1978

COMMISSIONERS

DOCUMENTS DEPT.
S.F. PUBLIC LIBRARY

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Nelson Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

BUREAUS

Municipal Railway

Accounts

Hetch Hetchy Project

Public Service

Water Department

Personnel & Training

Safety

PUC Computer Center

John D. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Rose A. Vossen

ACTING, SECRETARY

Call To Order: 2:37 p.m.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Welton Flynn, Peter McCrea, John M. Sanger

The minutes of the regular meeting of September 12, 1978, and of the special meeting of September 19, 1978, were approved.

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO.

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0412 W Authorizing execution of a 2.9 acre lease to Rolm Corporation for purposes of parking and landscaping of certain property of the Water Department located in Santa Clara County.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0413 GO Approving a revision of Rule 7 of the Rules of Order, Public Utilities Commission, to set the time for regular meetings of the Commission at 2:00 p.m. every 2nd and 4th Tuesday.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0414 HH Accepting as satisfactorily completed work under HH Contract No. 454, Moccasin Sewage Treatment Plant; approving credit modification of \$3,364.96; and authorizing final payment of \$25,649.14 to Robar Constructors, Contractor.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0415 HH Accepting as satisfactorily completed work under HH Contract No. 531, Market Street Subway Electrification, Duboce Junction to Eureka Station; approving credit modification of \$728.91; and authorizing final payment of \$27,237.03 to Amelco Electric; Contractor. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0416 M Authorizing the purchase of additional LRV maintenance equipment items needed in connection with the operation of the Muni Metro Rail Center in the estimated amount of \$13,400 and requesting the Purchaser of Supplies to solicit bids therefor, subject to the concurrence of UMTA. (Transit Improvement Program)

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0417 M Approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount \$3,920.13, month of August, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0418 M Approving payment of claims, amount \$73,280.11 from Municipal Railway revolving fund, month of August, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0419 W Waiving \$1,000,000 auto public liability coverage and accepting an indemnity agreement, and requiring the filing of a financial statement and annual evidence of auto public liability coverage with limits of \$100,000/\$300,000/\$10,000 for land use permit granted to Joyce Butkus and Jean Wilson.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0420 M Approving plans and specifications and authorizing bid call for Contract No. MR-616R-Transit Stop Signs, Phase I. Estimated Cost: \$176,000. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted: :

78-0421 M Approving settlement of that certain action entitled Bay Area Rapid Transit District vs Abbett Electric Corporation et al., Superior Court No. 719928 in accordance with terms and conditions authorized by the Public Utilities Commission.

Vote- Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0422 M Approving Amendment No. 4 to the Professional Services Agreement between the San Francisco Municipal Railway Improvement Corporation and Louis T. Klauder and Associates for professional services in connection with the LRV design review, inspection, and acceptance, which increases the amount of the Agreement from \$1,882,164 to \$2,436,354; and requesting the SFMRIC to approve and execute Amendment No. 4 (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0423 M Approving supplemental appropriation, amount \$13,580 to provide funds for a Professional Services Agreement with Watchdog Applications to test 10 Kodak Analyst Time Lapse and Monitor Cameras aboard Muni vehicles.

Vote: Ayes-Henning, Flynn, Sanger
Nøes- Pilcher, McCrea

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0424 M Authorizing the Municipal Railway to negotiate a Professional Services Agreement with Gruen Gruen & Associates for the preparation of a report analyzing the Municipal Railways' financial needs and evaluating the effects of alternative service/financing strategies, not to exceed a cost of \$100,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea
Abstain: Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0425 M Approving Modification No. 1 to the Professional Services Agreement between Muni and Urban Transportation Development Corporation, Ltd. to include the deletion of a final report as a separate task and instead include a summary of all work accomplished in the final evaluation report, to include the addition of site visits to Calgary Transit and the Toronto Transit Commission for ten (10) of Muni's senior vehicle maintenance personnel.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0426 M Approving supplemental appropriation to reflect the classification of four (4) positions in the Municipal Railway by the Civil Service Commission, which results in a reduction of \$1,023, permanent salaries.

Vote: Ayes-Henning, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0427 M

Approving supplemental appropriation, amount \$584,702.53, to provide funds for temporary craft salaries, craft overtime, contractual services and increase revolving fund balance to improve equipment availability.

Vote: Ayes-Henning, Flynn, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER - Mr. John B. Wentz

Resolution No. 78-0412--Authorizing execution of a 2.9 acre lease to Rolm Corporation for purposes of parking and landscaping of certain property under the jurisdiction of the Water Department located in Santa Clara County.

Mr. Eugene J. Kelleher, Acting General Manager and Chief Engineer, San Francisco Water Department, reported that the Rolm Corporation said they were rejecting the Commission's request for an 8 percent return. On October 5, 1978, the directors of the Rolm Corporation made an offer to lease the right-of-way on the basis of a new set of conditions. A copy of that letter has been made available to the Commission.

Mr. Wallace Wortman, Director of Property, stated that in the past he has checked with other governmental agencies, industrial leasing firms and various brokers. There is a range from a "cap" rate of 8 to 10 percent on unencumbered land. Property normally is reduced in value because of encumbrances. In most comparable situations the market value of property is cut severely. In this instance the proposed 4-1/2 percent is based on full market value. Mr. Wortman said he normally prefers adjusting the land value rather than changing the 'cap' rate. There is concern about how the consumer price index is treated, and in most industrial properties it is avoided. Industrial land does not respond well to the CPI. Brokers who handle industrial properties say it is normal to set the CPI at 2-1/2 percent maximum. The highest was 3 percent. There is usually a 3 to 5 to 10- year review period. Two and one half percent is standard if the position is taken that there must be an index.

Commissioner John M. Sanger asked how the market value might be reduced by encumbrances.

Mr. Wortman replied that all of the MAI appraisers spoke of adjustments from 20 to 60 percent. Adjustments because of encumbrances are recognized, which will vary according to adjoining use. He urged that leases be negotiated as well as they can in each situation. In this particular instance, he said, only the adjoining owner has any use for the property.

Commissioner Sanger asked if \$145,000 is intended to be the adjusted market value.

Mr. Kelleher replied that Rolm Corporation paid \$50,000 an acre for the property, and this is reverting back to the price paid.

Commissioner Sanger asked if the Corporation is claiming full market value, to which Mr. Kelleher replied affirmatively.

Mr. Wortman commented that an easier criteria is to find what the "cap" rate is in the market, and appraise the property for value accordingly.

President John F. Henning, Jr., stated that the end result is the same.

Mr. Wortman stated there is a range of 8 to 10 percent. Risk of the lease is a factor. The determining factor is how badly the Rolm Corporation needs the property, and the alternate uses to which the City can put the land.

Mr. Kelleher commented that if the Commission turns down the offer of the Corporation, they will either re-design or admit they are bluffing and counter with another offer.

Mr. Wortman noted that the offer in the letter of October 5, 1978, is based on a \$265,000 value with a 'cap' rate of 4-1/2 percent.

President Henning asked what is best for the City--an 8 percent "cap" rate on \$145,000 base, or a 4-1/2 percent "cap" rate on \$265,000.

Mr. Wortman replied that he would recommend adjusting the land value as probably the best that can be done in the circumstances. He said this should not be made a policy, however. The rent would be adjusted every six years.

President Henning asked Mr. Wortman if he is comfortable with this proposal in terms of his expertise.

Mr. Wortman replied, "yes". He stated that 9 out of 10 agencies reduced the land value and applied 8 percent.

President Henning referred to a \$145,000 adjusted land value with an 8 percent "cap" rate, plus a CPI not to exceed 4 percent in six years.

Mr. Kelløher noted that the offer in the Rolm Corporation's letter of October 5, 1978, is \$90,000 better, and starts over every six years.

Commissioner Sanger moved to authorize a lease with Rolm Corporation for property with an assumed \$265,000 value reduced by reason of encumbrance to \$149,000, the rental to be computed at 8 percent of \$149,000, with an adjustment every six years, reflecting the increase or decrease, if any, in the consumer price index, not to exceed 4 percent per year compounded. Commissioner Flynn seconded the motion, which was unanimously adopted.

President Henning directed that staff of Water Department report back with a policy statement.

Hearings on J Line Extension

Mr. Curtis E. Green, General Manager, Municipal Railway, reported that neighborhood meetings will be held to discuss the J Line extension from the present terminus at 30th and Church Streets to the Muni Metro Center. Such an extension would offer operational benefits. The first meeting will be held Tuesday, October 24, 1978, at 7:30 p.m. at Kate Kennedy School at 30th and Noe Streets. Notices have gone out to neighborhood groups. Another meeting is scheduled for Tuesday, November 14, 1978 in the auditorium of Glen Park School at 7:30 p.m.

Resolution Opposing Muni Fare Increase

Supervisor Carol Ruth Silver has prepared a resolution opposing any Muni fare increase. This resolution was tabled by the Finance Committee of the Board of Supervisors on October 4, 1978.

Negative Declaration on N Line Terminal

The Planning Commission has voted a negative declaration with respect to the N Line terminal. A proposal to obtain the necessary land will be submitted to the Commission.

President Henning inquired about the status of the north waterfront traffic plan.

Mr. Wentz stated that this item is before the Streets and Transportation Committee of the Board of Supervisors, but a date for hearing has not yet been set.

25 Passenger Jitney Bus

Mr. Green reported that the 25 passenger jitney bus was turned down at the last meeting of the Board of Permit Appeals by a 3 to 2 vote.

Muni Streetcar Accident

Mr. Green reported an accident of considerable damage on October 6, 1978, in which a streetcar and an automobile were involved. This accident is under further investigation by staff of Municipal Railway.

John L. Beckham, Sr., Departmental Personnel Officer

Mr. Green stated that Mr. Beckham has been appointed to the position of Managing Director of the War Memorial Opera House. President Henning congratulated Mr. Beckham on behalf of the Commission.

BSF Committee Meeting

Dr. John M. Christensen, Jr., Assistant General Manager, Finance, gave a brief report on this meeting which he attended on October 9, 1978, in Boston.

Dr. Christensen reported that there were four (4) items of direct interest to San Francisco on the calendar for the meeting.

The first item involved open engineering items. A resume of work done on items 4 and 5 in Philadelphia by meetings attended by all of the engineers from Klauder & Associates were presented. There was general satisfaction except in three areas. One of these is commutator bearings in motors. Consultant still wishes to examine data from stress tests, and Boeing Vertol has agreed to provide data by November 1, 1978.

Another item involved the lubrication. There are 27 points of lubrication in the vehicle and 25 different lubricants. BV is responsible for insuring that there be a decrease in the number of lubricants used, but wants to be reimbursed for this study. There is dispute in this area, and efforts will be continued to work out a resolution. The third item is the auxiliary motors where dirt is coming in. BV maintains that the subway is dirty. The subway is being cleaned in order to see if this is indeed the problem.

The second item on the agenda was a provision for maintenance information with respect to Garrett and electrical components. BV has defined the information to be provided. It is now a question of the format in which it appears in maintenance manuals.

The third element studied was the motor tests to be performed on each of the vehicles while they are in San Francisco during the acceptance phase. BV has agreed to accept a plan provided by staff. The car is to be loaded to the heaviest weight it has to carry. It will then be run up the Twin Peaks Tunnel, and will be stopped at every point it would normally stop. The car will then be returned to the Embarcadero and the test will be repeated. Ambient temperature of the motor at the time of starting the test will be noted. It is anticipated it will take one evening to perform this test, and it is hoped the test can be run before the PUC meeting of October 24, 1978.

The fourth point was the derailment rail wear test to be undertaken by MBTA on a grant from the Federal government. Staff is satisfied that work to be undertaken will answer questions perceived. BV has agreed to the package and San Francisco will participate in that study in every respect except to pay for it.

Responding to a question from President Henning, Dr. Chirstensen advised that one vehicle, car 1222, is under test in the acceptance period right now. Ten or eleven days of the thirty-day period have been consumed. Two cars will be delivered around the end of October.

Dr. Christensen reported that matters then turned to items of deep concern to MBTA, such as effectiveness of warranty support that BV is providing. It was found that different bases for data were being used.

Discussions then turned to the experience in Boston. Reliability of vehicles is not satisfactory as far as MBTA is concerned. MBTA feels that cars are not improving, and that BV must take definite steps to show improvement in reliability of performance. MBTA has received 135 vehicles which they have accepted conditionally. Of these, 91 are in the fleet, and 44 are in "dead" storage--cannibalized, unmodified, wrecked, etc., and are not capable of performing. There is 60 percent availability in the revenue fleet, which is much below what MBTA feels is acceptable. It has been proposed that BV take back 35 of the 44 vehicles in "dead" storage and put them in specified condition, which was not defined. MBTA agreed to accept 40 cars which remain on order if they are brought up to specified condition. BV agreed to study this proposal.

President Henning directed that the report be reduced to a written form for the Commission.

Commissioner Claire C. Pilcher asked if there is a method to determine when a driver has had violations and has had his driver's license revoked. She asked how Muni drivers can be driving without licenses.

Mr. Rod Batholomew, Acting General Manager, Operations and Administration, replied that Muni has records of the expiration dates of licenses.

Commissioner Pilcher commented that information regarding suspension of licenses comes from the District Attorney's office.

Mr. Bartholomew stated it is very difficult for Muni to find out if a driver has had his private automobile license revoked.

Commissioner Pilcher asked if a person whose license has been revoked can operate a streetcar.

Mr. Bartholomew replied affirmatively. He said consideration might be given to placing this person on streetcars or cable cars.

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Commissioner Peter McCrea inquired about the schedule for presenting the POM study.

Mr. Green replied that Mr. Thomas Matoff, Acting Director of Planning expects to have the 5-year plan before the Commission at the meeting of October 24, 1978.

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Commissioner McCrea requested that a discussion of UTDC's report regarding implementing progress at Muni be calendared for the PUC meeting of October 24, 1978.

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Commissioner McCrea referred to a letter from the State Regional Water Quality Control Board containing unflattering comments about San Francisco's performance in cleaning up the drinking water.

During discussion of chlorination Mr. Wentz said staff feels planning should be undertaken for filtration facilities for Crystal Springs, and the need for filtration of Hetch Hetchy water should be studied.

Commissioner McCrea stated he hates to see such a letter a matter of public record.

Mr. Wentz pointed out that staff contends that Hetch Hetchy water does not require filtration. This subject will be considered in the consultant's report.

Mr. Kelleher commented that six months ago he met with Henry Ongerth, Chief of Sanitary Engineering, State Department of Public Health. The subject of the meeting was to determine when and if treatment would be required. Mr. Ongerth had no concern at that time, but did encourage planning for the future. No mention was made at that time of the possibility of filtration of Hetch Hetchy water. The water at Hetch Hetchy and Crystal Springs meets all water quality standards. Mr. Kelleher said he believes the letter referred to by Commissioner McCrea is pointing to the need for filtration to take care of asbestos in the water. He stated he has answered the letter, and by January 15, 1979, the results of the consultant's study will be available.

Resolution No. 78-0419--Waiving \$1,000,000 automobile public liability coverage, and accepting an indemnity agreement, and requiring the filing of a financial statement and annual evidence of automobile public liability coverage with limits of \$100,000/\$300,000/\$10,000 for land use permit granted to Joyce Butkus and Jean Wilson.

Mr. Wentz referred to a hold harmless clause together with a letter from Mr. McMorris M. Dow, Utilities General Counsel.

Mr. Dow stated that since he wrote the letter he has received from the attorney for permittees a signed agreement along with evidence of auto coverage with limits of \$100,000/\$300,000/\$10,000. He stated that as long as permittees are covered to that extent the City's risk is extremely minor.

Commissioner H. Melton Flynn referred to the evaluation of the hold harmless clause, and asked what it was based upon.

Mr. Dow replied that the indemnity agreement by itself was not terribly significant unless more is known about permittees in terms of their assets.

Commissioner Flynn stated there should be some financial information if the Commission is to support the hold harmless clause.

President Henning asked about the possibility of having a bond filed.

Mr. Dow said that he did not know off hand.

President Henning said there should be something to collect against, and Commissioner Sanger stated evidence of insurance should be furnished on a continuing basis.

Mr. Dow said this can be added.

Resolution No. 78-0420--Approving plans and specifications and authorizing bid call for Contract No. MR-616R--Transit Stop Signs, Phase I. Estimated Cost: \$176,000.

Mr. Rino Bei, Program Manager, Transit Improvement Program, gave a brief description of the proposal by means of a pole with signs. He stated that the bottom of the sign will be 7'6" above street level, and that the design was prepared by Walter Landor Associates.

Mr. Fred Perry of CAPTrans asked about the unit cost of the sign. Mr. Bei replied \$175 each.

Mr. Perry stated that CAPTrans urges that these signs be discontinued until such time as POM study rerouting is accomplished. He said the letters are too small to be read.

President Henning asked about the schedule.

Mr. Bei replied it is anticipated staff will be back to the Commission in two months for award of a contract. The supplier could have the signs all ready in six months. The first phase takes care of all transfer points in the City. Phases 2,3, and 4 will be for individual stops with a single banding.

Commissioner Pilcher asked what the expenses would be at some future time to change the No. 55 Sacramento and No. 1 California signs if they should stop at different transfer points.

Mr. Bei said this could be done.

Commissioner Pilcher asked if the average times are based on what is being done now or what Muni would like to do.

Mr. Bei replied that the schedule headways are furnished by the Operations Department.

Commissioner Pilcher said she feels it will be a disaster to print the signs unless a disclaimer is printed below. If a passenger does not know that Muni misses runs, and waits until two buses should have come by the passenger will be angry.

Mr. Bei explained that Muni does have schedules which it tries to maintain.

Mr. Green added that this type of information has been on poles on Market Street for many years. When that information was removed there were complaints.

Commissioner John H. Sanger said he does not understand why the information of the more technical type was not designed to be down to eye level.

Mr. Bei said eye level information can be mutilated. He said staff has been working with the Chinese community, and the back side of the signs will be in Chinese in the area of Chinatown.

Mr. Lawrence B. Martin, President, TWU Local 250A, stated that all of the equipment is not out on the street now. He suggested doing this work when the equipment is available.

Mr. Bei stated that Mr. James H. Leonard, Director of Public Service, has put out schedules for every Muni line.

Mr. Green said there can be modifications as to what goes on the sign.

Mr. Norman Rolfe of San Francisco Tomorrow explained that transit systems in Europe use 0 to 24 hours. The information proposed by Muni is all right, but does not go far enough.

Mr. Maurice Klebolt, President, CAPTrans, asked why the graphic display shows white lettering on a dark background. He suggested black letters on white. He said CAPTrans will oppose this item at the Finance Committee meeting.

Mr. James Wallsten, Sr. Architect, TIP, explained that testing was done for both color and letter size, and Muni increased the recommended size of the lettering.

Commissioner Sanger asked if approval of the Art Commission is necessary.

Mr. Wallsten explained that the Art Commission reviewed the proposal two years ago, but it has not been returned to them for final approval.

ITEM NO. 11--Approving plans and specifications and authorizing bid call for Contract No. MR-666--Market Street Subway, Repair Work easterly of Castro Station. Estimated Cost: \$75,000.

On motion of Commissioner Pilcher, seconded by Commissioner Flynn, the Commission voted unanimously to table this item, in order to consider it in executive session following this meeting. (See Resolution No. 78-0421)

Resolution No. 78-0422--Approving Amendment No. 4 to the Professional Services Agreement between the San Francisco Municipal Railway Improvement Corporation and Louis T. Klauder and Associates for professional services in connection with the LRV design, review, inspection, and acceptance which increases the amount of the agreement from \$1,882,164 to \$2,436,354; and requesting the SFMRIC to approve and execute Amendment No. 4.

Commissioner Pilcher noted that the new amendment does not take into account the five (5) additional cars which have been ordered from BV.

Mr. Wentz explained that they have not actually been ordered. He said these cars can not be included within this cost estimate.

Dr. Christensen explained that Muni still needs approval of UMTA for additional funds, although officials of UMTA have indicated they will accept the request. Muni does not yet have the approval to buy the additional five (5) cars.

Commissioner McCrea asked how much, if any, of this additional cost which is almost solely attributable to delays on the part of BV, will be justified.

Dr. Christensen said staff intends to pursue every last ounce of justification cost possible. He said the position for liquidated damages is somewhat weakened because of the delay in facilities in which cars can run.

Mr. Klebolt stated that CAPTrans is going to object to Amendment No. 4 and suggest that Klauder be "wrapped up" and sent back to Philadelphia. He said \$693,000 was approved by the Board of Supervisors last year for a 2-1/2 year contract for five (5) employees with full time duties for the purpose of doing what the consultant is to do.

He said the LRV task force was to monitor things.

Commissioner Pilcher explained that Amendment No. 4 has to do with engineering.

Mr. Klebolt said Amendment No. 4 is a "boondoggle"--a cover up for gross errors on the part of Muni and the Commission. He said it is time someone in City government begins to "bite the bullet". He said CAPTrans is concerned that staff can not get along without a consultant.

Resolution No. 78-0423--Approving supplemental appropriation, amount \$13,580, to provide funds for a Professional Services Agreement with Watchdog Appliances to test 10 Kodak Analyst Time Lapse and Monitor Cameras aboard Muni vehicles.

Mr. Green explained that the item deals with the safety of passengers and drivers. One of the cameras could be operated all of the time in the bus. A second camera would be activated by the driver pressing a button. Muni staff has been approached by the union and the vendor. The cameras would establish that a crime has indeed been committed. Also, when people realize they are under surveillance it does act as a deterrent to crime. Mr. Green stated that such programs have been funded by UITA. He explained that the proposal includes the cost of two cameras in 10 coaches for six months plus operational costs for the purchase of film and the reproduction of film, for a total cost of \$13,580.

Mr. William Hackett from Watchdog Appliances explained that the cameras have been used for years in Federal installations. He said the camera for complete surveillance of passengers is set at 60-second time lapses, expends 400 frames in an 8-hour day at a cost of about 40¢. A cassette carries 7200 frames and would run 15-1/3 days without changing. For the camera near the driver the first frame would show the driver's name, cap No., the time, etc. An incident can be timed right to the minutes and photography stands up in court today on convictions. The camera over the driver's head runs 18 frames a second, and there are 3600 frames in it. This camera can be coordinated with a silent alarm.

Responding to a question from Commissioner Pilcher, Mr. Hackett stated that Portland, Maine, and London, England use these cameras.

Commissioner Sanger asked if there is a one time charge for the year.

Mr. Wentz stated it would cost \$1 million to equip the entire fleet, and there would be an operating cost on top of that annually.

Mr. Hackett said there is a warranty and there is no maintenance.

Commissioner H. Melton Flynn asked if this should not be put out to bid.

Mr. Wentz explained that this is a lease arrangement.

Mr. Hackett explained that film is only developed if there is an incident.

Commissioner Pilcher asked if Watchdog Appliances is ready to invest.

Mr. Hackett stated it would cost \$10,000 in manpower to put the program together.

Mr. Martin stated that the union is not interested in cameras on the entire fleet, as some areas do not need them. He said anything that would save a life is worthwhile, and there are not enough policemen.

President Henning asked if the union had gone to the Police Department, as they have LEAA funds to buy devices.

Mr. Martin stated that the Police Department can give Muni no more policemen.

Responding to a question from Commissioner Flynn, Mr. Martin stated that all of the transit companies in the Bay Area are trying to do the same thing, and Watchdog is the only company in the United States that is experimenting.

Commissioner Flynn asked if Watchdog's contract could provide for insurance.

Mr. Hackett replied that Muni would have to carry its own insurance, but that Watchdog would co-insure with Muni.

Commissioner Sanger commented that Muni would install 10 sets at a \$10,000 total value, less purchase option.

Mr. Hackett agreed it would be less with the option to purchase. He added that one of the units sells for \$655, but Watchdog will give Muni a 25 percent discount. He added that if Muni runs a year on the unit it can be purchased for one dollar.

Mr. Wentz stated that if the test is successful, Muni will go on the street with a competitive bid.

Mr. Green commented that AC Transit has this proposal under consideration.

Resolution No. 78-0425--Approving Modification No. 1 to the Professional Services Agreement between Muni and UTDC to include the deletion of a final report as a separate task and instead include a summary of all work accomplished in the final evaluation report, and to include the addition of site visits to Calgary Transit and the Toronto Transit Commission for 10 of Muni's senior vehicle maintenance personnel.

Mr. Klebolt stated that CAPTrans opposes this modification on the grounds that the City is not getting what it is paying for. The Board of Supervisors approved \$200,000 for the UTDC study. To delete the final report as a second task narrows the UTDC report regarding Muni's problems in the maintenance division. Mr. Klebolt said this is a "white wash" on the part of Toronto. Money is needed in San Francisco to keep the buses and streetcars running. CAPTrans feels no money should be spent to send employees to Canada.

Mr. Green explained that it is the considered opinion of the Muni project director and UTDC and Calgary management staff that if some Muni people could see some of the recommendations at work it would be an area of information. He said the summary report is really just a summary of reports Muni is receiving.

Commissioner Sanger asked if the people making the on site visits are involved in maintenance at the field level.

Mr. Green replied affirmatively.

Resolution No. 78-0427--Approving supplemental appropriation, amount \$584,702.53 to provide funds for temporary craft salaries, craft overtime, contractual services and increase revolving fund balance to improve equipment availability.

Mr. Wentz explained that this appropriation would be for mechanics, and is in response to the promise 4 or 5 weeks ago for what it would take to achieve a certain level of service. This additional staff will reduce missed runs from 50 to 26.

Mr. George Duarte, Deputy General Manager, Engineering and Maintenance, stated that 17 mechanics and three (3) supervisors are being requested. Last year Muni asked for 142 positions and obtained 55. Savings in road calls will be applied to physically working on coaches which will further reduce missed runs. Overtime is necessary as Sunday is an overtime day.

ITEM NO. 18--Discussion of proposed revisions to Operator Assault and Fare Collection procedures.

Mr. Martin responded to Commissioner McCrea that this is the joint proposal the union has worked out with Muni.

Commissioner McCrea said that General Bulletin No. 78-26 is rather vague as to when and where a fare should be collected.

Mr. Green explained that the operator collects the fare in every instance, but only ties up the bus in situations where it would be unsafe to continue.

President Henning commented that a man could get on the bus, not pay the fare and sit down. According to the bulletin, if the man is not getting on "with an ax or a baseball bat", the situation is not unsafe, so the bus driver keeps going.

Mr. Green commented that there are other ways of collecting fares without stopping the bus.

Commissioner McCrea commented that twice during the past week he has been on buses on which the driver politely stopped the bus and asked that the fare be paid. He said that not one person on the bus complained--the individual paid the fare and the bus started up.

Mr. Green stated that the driver always asks for the fare. If there is a recalcitrant person, the driver tries to find a police officer.

Commissioner Sanger commented that there are sequential steps to cover only one condition.

Mr. Klebolt stated that the majority of patrons pay fares. He said Mr. Green sound like a very liberal judge, but citizens want recourse for "dead beats" who do not pay.

Commissioner Pilcher said there should be an across the board policy. She suggested stopping the bus when fares are not paid. If this proves not workable, there can be more input.

Mr. Martin stated that the drivers want a clear rule on what to do.

Commissioner Sanger asked if the drivers think it would improve matters if they refused to move on when a fare is not paid.

Mr. Martin replied that the drivers want to be "backed up".

Commissioner Pilcher moved adoption of a minute order that procedures for fare refusals be modified so that operators will stop the vehicle until a fare is collected, as of November 1, 1978, and for a trial period of 90 days. Commissioner McCrea seconded the motion, which was unanimously adopted.

President Menning directed that Mr. James H. Leonard, Director, Bureau of Public Service, give this information to the media, and Commissioner Sanger requested that the information be placed on every bus.

ITEM NO. 19-- Discussion of staff analysis of alternative sites for development of Municipal Railway motor coach storage and servicing facilities.

Mr. Thomas Matoff stated that the matter of a new motor coach facility has been discussed for some time, most recently as a part of the POM Study. Twenty sites were considered, with four final alternatives--Crissy Field, Geary/Presidio Car barn, the Playland site and Balboa Reservoir; but this was voted down after neighborhood meetings. The Playland site was voted down by the Commission in April.

With respect to the Presidio Commissary/Crissy Field site, these would have been a total of six divisions, and Kirkland could have been closed. However, subsequent to the study, the GGNRA has moved the boundaries. If the site is declared surplus to Army needs, it will pass to the Department of the Interior. The GGNRA has indicated its desire to incorporate the site into its direct jurisdiction for open space development. There is an area at Crissy Field, but it would be too small. It would be necessary to retain Kirkland, and operating expenses would be increased.

Mr. Matoff next discussed the U.S. Steel site at 15th and Harrison Streets, which occupies about 6.2 acres. It would cost \$6 million in acquisition and construction costs to serve 170 motor coaches. Advantages do exist. It is already in a semi-industrial area, and it is fully enclosed. There are disadvantages. The U.S. Steel site is not large enough to replace Kirkland, and that would mean operating seven (7) divisions. The site is further away from lines causing the most expense in dead head time.

Use of the Presidio Division site involves adding a second deck, which would be at the elevation of Geary Boulevard. The Muni Engineering Department estimated the cost of constructing the deck at \$6.7 million. In the course of staff discussions a question was raised as to whether that was an adequate figure, and 50 percent was added to the cost.

The figure used for the reconstruction of Presidio Division is \$10 million as opposed to \$6 million for the U.S. Steel site. Advantages of the Presidio site are that it would maintain operations at six divisions, and there would be no additional administrative or transportation costs. Dead head time would be reduced for lines serving the western districts. Mr. Matoff stated that staff looked at overall costs, capital and operating in two different ways--in terms of overall costs, and in terms of cost to the City. Assuming a 30-year life for the division in terms of capital alone, the Presidio is 70 percent more expensive than U.S. Steel. Adding transportation costs, City taxes

dead head costs, the Presidio is less than 1/3 as expensive annually as U.S. Steel.

The availability of 80 percent Federal funding presents an even more dramatic reason for development of Presidio Division. By using Presidio Division \$120,000 per year would be saved. The staff recommendation is for the construction of a second deck at Presidio Division, and the expansion of Woods Division. Kirkland Division would have to be retained.

Commissioner Sanger asked if there could be further expansion of Woods or Geneva Divisions to make possible the elimination of Kirkland Division. He asked about the possible value of Kirkland land.

Commissioner Flynn stated that 3 or 4 years ago it was \$6 million.

Dr. Christensen commented that the City must share with UMTA any returns from either the sale or lease of any property which is disposed of/or leased as a result of improvement or replacement by UMTA.

Commissioner McCrea stated that one of the things difficult to quantify and which concerns him is the adverse impact that double decking would have on the operation of the Presidio Division during construction.

Mr. Matoff stated that all of the electric lines have been assigned to divisions by proximity.

Commissioner Sanger commented that use of Geneva would give Muni 3 locations for trolley coaches.

Commissioner McCrea noted that by adding a trolley coach operation at Geneva Division it will be necessary to add maintenance facilities for trolley coaches.

Commissioner Sanger pointed out that it might be advantageous to have fewer divisions of multi-vehicle type in order to gain the benefits of consolidation. He said he feels the Commission would wish to eliminate Kirkland Division.

Mr. Green noted that at Woods Division there is a tremendous problem with space, and it might be necessary to acquire more land.

Commissioner McCrea said Muni could go to Third Street to the old GM car barn site, and close Kirkland Division.

Mr. Matoff stated that staff could look into the question of the Geneva Division as a motor coach facility.

Commissioner McCrea said he would like to see Kirkland Division shut down, as the area is too congested and has been a source of public relations problems for years.

Mr. Green commented that Muni would like to keep Kirkland Division until a facility adequate to Muni's needs is obtained.

Commissioner McCrea commented that the plan asks that two new operating centers for buses be created.

Mr. Matoff pointed out that Muni is being pressed to improve transit service to the Northeast waterfront area.

Commissioner McCrea asked about the impact on the Presidio Division of a year's construction.

Mr. Matoff said that there would have to be temporary reassignment of some coaches. Once the deck is constructed Muni could have more pits under the deck.

Commissioner Sanger stated that staff should go back and raise the Balboa issue again.

Mr. Matoff commented that one-third of the Presidio Commissary site is already taken by the GGNRA.

Mr. Klebolt noted that the Bolles Associates report spelled out that the Presidio Division is the best place for a diesel facility.

Commissioner McCrea said he would like to see some alternatives developed which would eliminate Kirkland Division.

Commissioner Sanger stated this should be through some expansion of the Woods facility.

Commissioner Flynn requested that staff look at the Geneva Division.

The Commission instructed that staff develop alternative plans which would provide for the elimination of Kirkland Yard.

Resolution No. 78-0421--Approving settlement of that certain action entitled Bay Area Rapid Transit District vs Abbett Electric Corporation et al., Superior Court No. 719928 in accordance with terms and conditions authorized by the Public Utilities Commission.

At 5:40 p.m., the Commission adjourned the regular meeting at which time Resolution No. 78-0421, recorded above, was unanimously adopted.

ROMAINE A. SMITH
SECRETARY

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24/78

M I N U T E S
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:00 P.M.

October 24, 1973

NOV 28 1978

DOCUMENTS DEPT.
S.F. PUBLIC LIBRARY

COMMISSIONERS

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:10 P.M.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Welton Flynn, John M. Sanger

Absent: Commissioner Peter McCrea

The minutes of the regular meeting of September 26, 1978, were approved.

The minutes of the special meeting of September 11, 1978, were approved with requested modifications by Boeing Vertol.

RESOLUTION
NO.

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0428 HH Approving supplemental appropriation, amount \$1,569.47, to provide funds for a retroactive salary adjustment for Class 7232, HH Mechanical Shop Supervisor, in accordance with Section IVG of the 1977-78 Annual Salary Ordinance.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0429 HH Awarding HH Contract No. 581-California Street, 8th Avenue and 32nd Avenue, Underground Duct System, to Abbett Electric Corporation, San Francisco, California, in the amount of \$703,483. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0430 M Authorizing bid call for MD Contract No. 1743R-Cement Mortar Line 36", 44" & 48" Steel Pipe in Potrero, Bayshore and other streets. Estimated Cost: \$478,600.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0431 M Approving write-off of Water Department uncollectible accounts, receivable more than 90 days past due, month of July, 1978, amount \$6,142.12.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0432 M Approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount \$3,856, month of September, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0433 M Approving payment of claims, amount \$45,743.32 from Municipal Railway revolving fund, month of September, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0434 M Approving Amendment to Chapter 10, Article XV, San Francisco Administrative Code, Section 10.150, to reduce Municipal Railway revolving fund to \$100,000.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0435 HH Authorizing the General Manager of Hetch Hetchy Water and Power to transfer on permanent loan certain surplus out of service equipment to the Orange Empire Railway Museum for preservation and use for historical purposes.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0436 M Approving modification in the debit amount of \$17,916 to provide funds for additional work under Contract No. MR-643, M Line Track Reconstruction- 19th Avenue, Junipero Serra Boulevard to Saint Francis Circle and Broad Street and Plymouth Avenue Intersection. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0437 M Approving Contract Change Agreement No. 25 in the debit amount of \$14,770, to provide for changes in the work, under SFMRIC Contract No. MR-609- Muni Metro Pail Center, and requesting the SFMRIC to approve and execute Contract Change Agreement No. 25. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0438 M Approving modification in the debit amount of \$1,985 to provide funds for the moving of one cross-over overhead trolley wire system under Contract No. MR-647- J Church Line-Track Reconstruction and Sewer Replacement and Enlargement, Church Street, 22nd Street

to 30th Street. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Flynn, seconded by Pilcher, Commissioner Sanger was excused from voting and the following resolution was adopted:

78-0439 M Authorizing the General Manager of the Municipal Railway to execute an agreement with Gruen Gruen and Associates for preparation of a report analyzing Muni's financial needs evaluating alternative sources of operating revenues, and assessing the potential socio-economic and environmental impacts and effects on patronage of different service/financing alternatives.

Vote: Ayes-Henning, Pilcher, Flynn
Abstain-Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0440 M Approving the "Transit Only" and the "Streets/Transit" sections of the San Francisco Federal Aid Urban Systems (FAU) Program for 1979-1984.

Vote: Ayes-Henning, Flynn, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0441 M Approving the acceptance procedure for LRVs prepared and recommended by staff, and directing that the Commission be notified immediately upon discovery of discrepancies or other conditions that justify rejection of any LRV so that the Commission can arrange for timely and proper notice to the Boeing-Vertol Company.

Vote: Ayes-Henning, Flynn, Sanger

On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

78-0442 M Setting aside funds amounting to \$263,572 of the \$440,000 of TDA funds in Fiscal Year 1978-79 to provide Canon Kip Operation Transportation with vehicle maintenance and housing, gasoline, parts and supplies, insurance and certain salaries; and authorizing the Municipal Railway to provide technical assistance in scheduling, dispatching, and obtaining alternative funding services to Canon Kip Operation Transportation.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0443 M Requesting the Mayor's recommendation to the Board of Supervisors for immediate filling of position 5174-Administrative Engineer, for the Transit Improvement Program Control Group.

Vote: Ayes-Henning, Flynn, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0444 GO

Authorizing the General Manager of Public Utilities to execute a contract with the Urban Mass Transportation Administration (UMTA).

Vote: Ayes-Henning, Flynn, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0445 M

Authorizing the General Manager of Public Utilities to issue travel advances to personnel attending training for LRV operations and maintenance in amounts up to \$1,000 per person, all travel vouchers for LRV training to be submitted to the Commission for approval, and the limit of \$500 authorized in Resolution No. 71-0442 to remain in effect for all other travel.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER - Mr. John B. Wentz

Amoroso Suit

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power, reported that Amoroso Company has filed suit against the City, Mr. Moore, and the Assistant General Manager of Hetch Hetchy. This is the contractor who constructed the rectifier station at Carl Street. As a result of damage to adjacent property payment was stopped. Suit has been filed for collection of payment and for punitive damages having to do with the quality of engineering by Bechtel Corporation. The matter has been referred to the City Attorney's office.

Commissioner Sanger asked if Amoroso's Insurance Company is a claimant.

Mr. McMorris M. Dow, Utilities General Counsel replied that Amoroso is the sole claimant.

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Commissioner Sanger noted that water consumption is up 40 percent over last year, and asked if this is becoming a pattern.

Mr. Eugene J. Kelleher, Acting General Manager and Chief Engineer, Water Department, replied that the period covered by the last report was a period of exceptionally hot weather, but that compared to 1976 "normal" consumption, is 10 percent below the same period for that year. Water rationing was in effect in 1977.

No fare - No ride

Mr. Curtis E. Green, General Manager, Municipal Railway, reported that Muni would like to place this program in effect as of November 1, 1978. However, because of the time required to obtain printed signs, he asked that the date be moved up to December 1, 1978, to which the Commission assented.

Free Rides for Fireman

Mr. Green referred to an earlier Commission action whereby free rides on the Muni were eliminated for many City employees, including firemen on duty. He introduced Deputy Fire Chief Ray Landi.

Deputy Chief Landi explained that for years the Fire Department was accorded the use of Muni free when in uniform, and also back and forth to work. Instead of having a Department vehicle, fire inspectors rode the Muni; and fire fighters going from station to station used the Muni free of charge. He noted that the presence of uniformed firemen is a deterrent to crime. He stated that the Fire Department would like the free use of Muni reinstituted on the same basis as for the Police Department.

Commissioner Claire C. Pilcher, commented that health inspectors and other City inspectors would also expect to ride free. She asked for the base salary of a fireman.

Deputy Chief Landi replied, "\$1588 per month".

Commissioner John M. Sanger noted that some of the interest in this matter came from the Mayor's office and the Board of Supervisors. He asked if there is a program for giving tokens to City employees, so that there would be a budgetary transfer from another Department to Muni.

Mr. Green replied that there is such a program.

Deputy Chief Landi stated that the Fire Department is not budgeted for the use of tokens. He noted that the Fire Department provides a "wrecker" to tow streetcars and buses, and fire engines to cool "hot slots" on cable cars.

Commissioner Sanger commented that it really is a matter for the Mayor's office and the Board of Supervisors.

President Henning directed that the matter be put over to the Commission meeting of November 14, 1978, in order for the Mayor's budget analyst to respond.

Deputy Chief Landi commented that Supervisor Harvey Milk has an item on the Streets and Transportation Committee calendar for October 26, 1978, which would provide all City employees with Muni fast passes.

Mr. Maurice Klebolt, President, CAPTrans, requested that he be included.

Deputy Chief Landi asked if a "stay of execution" could be granted the Fire Department between now and the Commission meeting of November 14, 1978, to which President Henning replied, "No".

Streets and Transportation Committee Meeting

Mr. Wentz commented that for the October 26, 1978, meeting of this committee items 5,6,7,8 and 9 are Muni items. He said that items 6,7, and 8 concern the advertising bus shelter program, and that staff will be present to present the position of the Commission.

Public Address System for Room 282

Mr. Wentz advised that the Director of Airports has included in his supplemental budget an item for a public address system, at no cost to the City taxpayer. All of the other Commissions will be able to use it. He suggested that staff prepare a letter for Commission signature in support of this item.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner H. Melton Flynn stated he called President Henning earlier today for permission to speak to staff and the Commission with reference to an item which is not properly a Commission item. The item, he said, has to do with a bid which went to the Purchaser by a minority firm to sell diesel fuel to the Municipal Railway. He said he was not criticizing staff or the Commission, but was criticizing the Purchaser of Supplies in public and notifying the Commission, primarily because he intends to file an official allegation with the Urban Mass Transit staff and the Department of Transportation because he believes the Purchaser has violated a principle with reference to affirmative action. He noted that the contract for selling fuel to Muni has not been in existence for public bid since 1973. The Purchaser was prevailed upon to permit everyone to bid. However, the Purchaser resisted the idea of submitting the name of Teleport to bid. Teleport was the successful bidder--2.9 cents per gallon cheaper than the next lowest bidder. Commissioner Flynn commented that there have been suggestions there are some "rip offs" by a minority firm. On October 23, 1978, the Purchaser said there was a problem, and that he had received an opinion from the City Attorney's office that the bid was not responsive to the invitation for bids. The seller of fuel must give 14 days notice prior to a price increase and the contract could not be issued to Teleport. Commissioner Flynn stated he spoke with the City Attorney, who says the opinion is wrong. The Commissioner stated that in his official capacity he intends to use every weapon to see that revenue sharing funds and other federal funds to Muni are stopped until this issue is corrected.

Resolution No. 78-0442--Setting aside funds amounting to \$263,572 of the \$440,000 of TDA funds in Fiscal Year 1978-79 to provide Canon Kip Operation Transportation with vehicle maintenance and housing, gasoline, parts and supplies, insurance and certain salaries; and authorizing the Municipal Railway to provide technical assistance in scheduling, dispatching and obtaining alternative funding services to Canon Kip Operation Transportation.

This item was taken out of order.

A Chinese interpreter translated the discussion on this item.

Mr. Green explained that the proposed resolution is an attempt by the Municipal Railway to respond to a request by Canon Kip, an organization which supplies transportation services to the elderly and handicapped community. These services are in addition to those provided by Muni. Canon Kip does not have the funds to continue these needed services. Some of the vans that were funded through CALTrans are not operable at present due to lack of maintenance.

Mr. Green explained that last year Section 4.5 was added to TDA funds. This provides that five percent of the funds can be set aside for special services to the handicapped. At the hearing before the Finance Committee last year Canon Kip insisted that a part of those funds be used for Canon Kip. Mr. Green stated there is \$440,000 which could be made available for programs such as Canon Kip. Of the \$263,572 proposed to assist Canon Kip, \$128,000 will be spent to purchase Muni personnel to perform maintenance work.

Responding to a question from Commissioner Sanger, Mr. Wentz stated that \$128,000 will be paid to Canon Kip in cash. An amount of \$135,000 will be contributed by Muni through services.

Commissioner Flynn asked if these contributions would disable the operations of Muni.

Mr. Wentz replied that this money was not included in the budget.

Commissioner Sanger asked if the money would be spent prior to the next fiscal year, to which Mr. Green replied affirmatively.

Commissioner Pilcher asked if these are funds which would be available to Muni for its handicapped program.

Mr. Green stated that Muni spends \$7 million annually for community services, including special programs for the handicapped. If Canon Kip fails and the need is there, Muni will be asked to provide those services.

President Henning asked if anyone wished to speak against the proposal, and there was no response.

A copy of a letter to the Public Utilities Commission from the Recreation Center for the Handicapped, Inc. supporting the proposal is attached and made a part of these minutes.

ITEM NO. 21--Report on the status of progress of implementing UTDC recommendations.

President Henning stated that Commissioner McCrea had requested that this item be put over until the Commission meeting of November 14, 1978 when he will be present.

Resolution No. 78-0435--Authorizing the General Manager of Hetch Hetchy Water and Power to transfer on permanent loan certain surplus out of service equipment to the Orange Empire Railway Museum for preservation and use for historical purposes.

Commissioner Sanger asked if Hetch Hetchy has equipment on loan to this firm already.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power stated that this is the third time such a loan will be made. He said this museum is similar to the electrical museum in Rio Vista. Mr. Wentz added that there is another similar museum in Sacramento funded by the State.

Commissioner Sanger asked if any consideration has been given to using the old powerhouse at Moccasin for a museum, to which Mr. Moore replied, in the negative.

Mr. Moore explained that there is a great deal of this equipment which is surplus and old and has no value except historically. Hetch Hetchy can not use it.

Commissioner Sanger asked if the City could get the equipment back if a museum were created. Mr. Moore replied affirmatively. He said the equipment consists of items such as an air compressor, governor, streetcar heaters, etc.

Mr. Klebolt stated that an attempt is being made to keep rolling stock in San Francisco. He said he will object to the movement of this equipment to Orange County, as the citizens of San Francisco have paid for the equipment. It could be stored in City warehouses. Once it leaves the City there is no guarantee that it can be returned. He suggested that the Purchaser of Supplies bid it out if it is valuable.

Mr. Moore said the equipment being discussed is not for rolling stock.

Commissioner Sanger commented that the City lost the Moccasin scrap.

Mr. Wentz explained that the Orange Empire Museum is in Riverside County.

Resolution No. 78-0428--Approving supplemental appropriation, amount \$1,509.47, to provide funds for a retroactive salary adjustment for Class 7232, HH Mechanical Shop Supervisor, in accordance with Section IVG of the 1977-78 Annual Salary Ordinance.

Mr. J.B. Martin, Area Director, International Association of Machinists and Aerospace Workers, asked how an increase in salary can be allowed for a supervisor when the rest of the employees are not allowed a raise.

Mr. Moore replied that in spite of the fact that wages have been frozen, a section of the Salary Ordinance is still operative for the prior fiscal year which provides that a supervisor must have a higher salary than the people he supervises. The adjustment sought in this case covers the second half of the last fiscal year.

ITEM NO. 9--Discussion of proposed additions to the Hetch Hetchy Project status of the Clavey-Wards Ferry Project.

With the aid of charts Mr. Moore gave a brief presentation on the status of this project. The proposed project would consist of a dam below the confluence of Cherry Creek and the Tuolumne River Tunnel going over to Clavey Creek. Clavey Powerhouse would be underground. There would be a dam at Wards Ferry which would create a reservoir. There would be a transmission line from Clavey Powerhouse and one from Wards Ferry Powerhouse down to Moccasin.

Under the proposal the section of the river which presently is not utilized for hydroelectric power uses would be used. Presently not utilized for hydroelectric power is the drop between Dion R. Holm Powerhouse and Don Pedro Dam. The application for a preliminary permit has been pending for 1-1/2 years.

On October 12, 1978, the Federal Energy Regulatory Commission (FERC) met and directed staff to advise the Turlock and Modesto Irrigation Districts and the City and County of San Francisco that it would be necessary to submit a work program for review by the Secretary of the Interior, the Secretary of Agriculture, other parties, and the Commission staff itself. The indication from the Commission is that until this work program is approved by the FERC there will be no preliminary permit issued.

Another development, Mr. Moore said, is that the Tuolumne County Board of Supervisors went on record as opposing a classification of the Tuolumne River as either a wild and scenic river or a recreational river. The Tuolumne County Board of Supervisors has caused to be placed on the ballot for the next election a request for an expression of opinion by voters of Tuolumne County as to whether the river should be classified as either wild, scenic or recreational. Such a classification would bar hydroelectric development.

Commissioner Sanger asked if there is a relationship between this proposal and the potential widening of the Mountain Tunnel which was included for preliminary investigation in the CIP.

Mr. Moore explained that the Mountain Tunnel carries water from Kirkwood Powerhouse down to Moccasin where water is dropped through Moccasin Powerhouse at 730 cubic feet per second. There is a difference in size between the inlet and the outlet of the tunnel. The capacity of Canyon Powerhouse Tunnel is about 870 cu. ft. per second. Water goes back into Moccasin Creek and then into Don Pedro Reservoir.

Commissioner Sanger asked if this water could be diverted to Jawbone Dam.

Mr. Moore replied that any water that comes down the Tuolumne River over and above 730 cu. ft. per second goes down the river.

Commissioner Sanger asked if it could generate power, to which Mr. Moore replied affirmatively.

Mr. Moore stated he could think of at least 4 ways to increase capacity. Concrete lining could be poured into the tunnel to increase capacity. Concrete invert could be poured into the tunnel and it could be lined with fiberglass. Possibly the tunnel could be enlarged, although it is a solid rock tunnel--most of it unlined. A parallel tunnel could be constructed.

Assuming any of these things could be done, Commissioner Sanger asked how it would influence the amount of water for power.

Mr. Moore replied that the need for additional facilities to generate more power would be by-passed. He said that alternatives must be studied. If there is no possibility of building the proposed project, Hetch Hetchy must be prepared with an alternate plan.

Another possibility, Mr. Moore said, is the old canal system which supplied Early Intake Powerhouse. This canal runs along Cherry River Canyon. If the Tuolumne River is classified there is still the possibility of pumping water from the tail race of Holm Powerhouse and getting it over into Mountain Tunnel through the canal system. An alternate to using the canal system would be to put through a pipeline to boost the capacity.

Commissioner Sanger mentioned that the last alternative would not increase diversions from the Tuolumne River.

Mr. Moore commented there would be a diversion from Cherry Creek.

Commissioner Sanger noted that the Tuolumne River flow study and the Commission's position with respect to the request of various groups is to increase minimal releases. The proposals discussed refer to increased diversions.

Mr. Moore stated that regarding releases from O'Shaughnessy Dam the Federal agencies have completed a study stating that it is preferable from their point of view to at least double releases. The Secretary of the Interior has asked that this be done. The City could request a hearing. As a fisherman, Mr. Moore said he is convinced that the Tuolumne River is better for fishing the way it is. It has 1200 visitor use days per year. More importantly for the City, any water that is released at O' Shaughnessy is not available to put through Kirkwood Powerhouse. On an average it would cost the City \$800,000 a year if that power were foregone.

Commissioner Sanger commented that the City agreed to comply with a mandate for release schedules.

Mr. Moore stated that the City agreed that if releases were approved it would comply.

Commissioner Sanger asked if a hearing has been requested. Mr. Moore replied that a hearing has been requested as soon as the Department of the Interior obtains an EIR.

President Henning asked for comments from the public. There were none.

ITEM NO. 13--Accepting the recommendation of Sverdrup & Parcel & Associates, Inc., and Foster Engineering, Inc., a Joint Venture, for Phase I, the design for the Muni Metro Subway track extension and turnaround facilities easterly of the Embarcadero Station, and authorizing TIP staff to proceed with negotiations with the consultant for Phase II of the project.

Mr. Wentz stated that consultant will make a presentation. He said an EIR must be prepared on the basis of examining alternates. After the EIR is completed the Commission will choose one of the alternative plans.

Mr. Rino Bei, Program Manager, TIP, reported that the consultant has finished the first stage of the contract. He said the preparation of the preliminary report is the basis for determining the best arrangement for a turnaround at the foot of Market Street. Also, consideration of environmental factors associated with the alternatives to be considered can be studied, as well as cost estimates for each arrangement. He explained that the consultant has had a number of presentations made to Muni staff and the General Manager of Utilities, and has had discussions with other City agencies, property owners, and merchants associations interested in the development of Market Street.

Mr. Bei introduced Mr. Thor Anderson, Vice President of Sverdrup and Parcel.

Mr. Anderson stated that the project was to develop a more viable easterly extension, and that a report has been submitted to Commission and to staff. With the aid of charts he gave a brief presentation. He stated that consultant was concerned with the physical surface areas, and the critical situation with the BART tubes. Also, traffic during construction is a key concern. He said environmental impact would be temporary. Finally, and most important, is the relationship of the planned extension to all of the other plans. He stated there are two basic types of extension. One is a far side crossover and the other is a loop construction.

Mr. Anderson introduced Mr. Sal Rodriguez, who implemented the operational study.

Mr. Rodriguez stated that in the operational analysis the objectives were 5-fold--to improve service, reduce cost, increase flexibility, increase reliability, and to increase safety. The existing crossover and the two other configurations were tested. Planned capacity is 15,000 passengers per peak hour. Consultant arrived at 2 coupling strategies. Multiple car trains could operate in the Muni Metro system. The other method would bring in single cars from branch lines where they would be coupled and brought into the Muni Metro system as 4-car trains. Consultant used one-hundred and fifty passengers per vehicle to determine the headway necessary to achieve the desired capacity. Consultant developed average probable delays and also determined the probability of delays the system could foresee. At today's capacity of 5,000 passengers per peak hour all three types of extension would be able to handle that capacity. Muni would have the option of utilizing either coupling. It was found that at 15,000 passengers per peak hour the existing crossover experienced delays unless Muni adopted the use of more coupling or the use of fall back crews.

Many of the difficulties that exist with the existing crossover were experienced with the far side crossover. The loop substantially reduced average delays. The consideration was that at planned capacity Muni ought to be looking at an extension of a loop configuration. Consultant studied a number of alternatives and settled on eight possibilities. The first two are far side crossovers, 3 and 4 are short loop alternatives, 5 and 7 are long loop alternatives, and 6 and 8 are between short and long loop alternatives.

Alternative 5 is the recommended plan. It incorporates Muni's desire to provide a minimum of 4 car storage, and a minimum of 150 feet of service and inspection pits. There would be housing for mechanical equipment, electrical equipment and personnel equipment. Also mandated by the Commission was the provision for future extension, both northerly and southerly. Scheme 5 provides a Muni Metro operation of unloading passengers at

Embarcadero Station. A minimum increase in expenditure would provide for a total of 8-car storage. There would be minimum impact on Justin Hermann Plaza, and construction is straight forward. There would be minimum encroachment in the Embarcadero corridor, and it retains the Embarcadero freeway. This alternative provides flexibility and reliability, and includes service to patrons by a reduction in probable delays. The operational cost would be a little higher than for the existing crossover. It also includes safety, and eliminates many of the complex steps Muni operators would have to take with the existing crossover.

Mr. Ted Mitchell briefly discussed construction impacts. He stated that tunneling would be eliminated, and that Market Street would be opened up and decked over. Muni buses and emergency vehicles would have access. Steuart Street would be opened and decked. The biggest impact would be on existing utilities, which would have to be relocated temporarily or permanently.

In summary, Mr. Anderson stated that consultant basically looked at alternatives as compared to existing facilities. He stated that with the recommended alternative there would be an easy extension down Steuart Street to the S.P. Depot or any Muni service to the South. There is room for a station in the plan and for an extension to Fisherman's Wharf. He stated that the estimated cost of alternative 5 is \$20 million, and projecting it to the mid-construction period of 1981 it would be \$28.1 million.

Mr. Bei explained that this is a "broad brush" approach. He stated that once the project is finished it should not be necessary to go back into the area again as it provides all potential requirements for the future.'

Commissioner Sanger asked about a Ferry Station, and Mr. Bei replied that there is not enough justification for a station at that location for ten years into the future.

Responding to a question from Commissioner Flynn, regarding the difference in cost for alternatives 5 and 6, Mr. Anderson stated that alternative 6 places storage down Steuart Street and goes to a sharp loop. Less tunnel would be built, but in building a short loop it is necessary to open the entire area.

Mr. Bei noted that a very sharp loop is difficult on rail and wheel wear and on the cars themselves.

Responding to a question from Commissioner Sanger, Mr. Bei stated that alternative 6 would cost \$3 million less than alternative 5 in today's money. He said that \$2-1/2 million would be spent for storage facilities in each alternative.

Commissioner Sanger asked if storage facilities were part of the original program.

Mr. Bei stated that the maintenance staff felt strongly about the necessity for a repair facility. He said there would be space to put a "dead train". This could also provide for peak storage in order to put a car into the system.

Commissioner Sanger commented that the application of some dollar amounts would produce some sense of the costs involved on an annualized basis. He said the staff should apply some dollar figures on the impact of vehicle and personnel requirements.

Commissioner Flynn asked about the 1981 dollar as compared to the dollar today.

Mr. Rodriguez gave a figure of 12 percent per year compounded annually. This is for future major construction contracts. He said there is a tremendous shortage of cement, and it is necessary to estimate increases in labor costs.

Commissioner Sanger asked about the level of disruption to Market Street buses.

Mr. Bei stated that one possibility is to relocate the trolley coach facilities. They could be brought down Mission Street, as was done when the Civic Center Station was built.

Ms. Gay Blackford, of the Muni Coalition, said she is extremely interested in wheelchair access. She said that as soon as the Muni Metro is in operation she hopes wheelchair access will be operational at all stops and not delayed for two years.

Mr. Maurice Klebolt, President, CAPTrans commented that on a previous occasion the experts stated that Muni could operate with the existing station, but now it has been determined that after 100 LRVs are purchased it must turn into a maintenance facility. He said there will be a bureaucracy "down there", and that the matter must go to the Finance Committee. He said going to the S.P. Depot can be achieved on the surface under the bridge. There is room for a big loop at Howard Street, and room for above board maintenance facilities. A small loop is now turning into a \$23 million facility. Mr. Klebolt suggested leaving the tracks on Market Street, and keeping the line on the surface. He said the J line would not have to go into the tube. The K,M,N and L lines could use the subway. He suggested putting the yard on the surface.

Commissioner Sanger moved that staff present a more detailed presentation upon the cost effectiveness of various alternatives, and that the consultant proceed with the EIR as soon as possible. He also stated that staff should present a more detailed defense of maintenance and storage facilities.

Commissioner Pilcher seconded the motion, which was unanimously passed by the Commission.

ITEM NO. 14--Authorizing the General Manager of Public Utilities to address a letter to the Mayor requesting him to initiate procedures for jurisdictional transfer of property west of the westerly curb line of the Lower Great Highway between Irving and Judah Streets from the Department of Public Works to the Public Utilities Commission for construction of new terminal facilities for the M-Judah streetcar line.

Mr. Wentz noted that it has been called to the attention of staff that the Planning Commission did adopt a negative declaration. However, this was adopted on the condition that it be modified. He said the item should be put over to the PUC meeting of November 14, when the modified declaration will be available.

Commissioner Sanger asked that a vicinity map be provided.

ITEM NO. 15--Requesting the City Attorney to prepare a Charter amendment amending Section 8.411 of the City Charter to allow that City employees be reimbursed for loss of tools by reason of theft or disappearance--this Charter amendment to authorize the CCSF to purchase a policy of theft insurance for the purpose of reimbursing employees.

Commissioner Pilcher commented that if Muni employees are losing in excess of \$17,000 per year as a result of tool thefts something should be done to improve security. One individual on four different occasions had a theft of his tools. She stated that in the private sector employees are responsible for their own tools and carry their own insurance.

Mr. Green said he agreed, but commented that recently much has been done in the way of "tightening up". He said the problem is City-wide wherever valuable tools are available.

Mr. George Duarte, Deputy General Manager, Engineering and Maintenance, stated that each of the cases listed is backed up by a Police report.

Commissioner Pilcher commented that she can not see amending the Charter to provide a system whereby there can be loss without any accountability.

Mr. J.B. Martin spoke in favor of the proposed Charter amendment. He stated that in the private sector it is true that employees are required to furnish their own tools, but the employer is required to reimburse at today's cost. He said that since 1976 there have been 11 tool theft claims from members of his union, amounting to approximately \$15,000, which is a conservative figure. Some claims were not covered. A tool theft clause had been negotiated, and one year there was a \$100 deductible clause which was later improved to \$50 deductible. At present there is no way the City can reimburse a City employee.

Commissioner Pilcher asked the cost of insurance, and Mr. Martin replied that it is astronomical. He said it is cheaper for the City to self-insure.

Mr. Green explained that the proposed amendment would ask for two things--that employees be reimbursed, and that it would be negotiated by the Board of Supervisors. At present, Mr. Green said, employees come to him stating that their tools have been stolen. He takes the matter up with the Board of Supervisors, and for one reason or another there is no relief. This is a problem of two or three years' duration.

Commissioner Sanger commented that the Board of Supervisors has the ability to buy insurance now.

Mr. Green pointed out that it is not spelled out as the desire of the people. It is the opinion of the City Attorney that the only clear way is to place a Charter amendment before the people.

Mr. Morris M. Dow, Utilities General Counsel, stated that at the present time reimbursement can not be made for loss or disappearance of tools. A proposed Charter amendment in 1965 failed. The Board of Supervisors could provide theft insurance except for Jarvis-Gann. The Board of Supervisors refused to fund it last year.

Mr. Martin said the proposed resolution should be retroactive to January, 1976.

Commissioner Flynn stated he would support the proposal from this time forward, but not retroactively.

Commissioner Sanger moved an amendment that the third resolved clause be deleted, and substitution be made that the Commission request the Board of Supervisors to take action to provide reasonable theft insurance or some method of preventing losses of tools and monetary losses associated therewith.

Commissioner Pilcher said the insurance should be per individual and not on a gross basis.

Commissioner Flynn asked if staff could obtain a figure. He said a group policy would be better.

Mr. Duarte said insurance policy costs are extremely high, and it is felt the City would be better off being self-insured.

Mr. Martin stated that based on a \$3,000 maximum, it would cost \$90 per person from Allstate Insurance Company. This would be tied into a home owners policy, and Allstate is probably the only company underwriting this new type of coverage. The City offered to pay the \$90 or to give employees the \$90. The union members opted for receiving the \$90. This was not put into effect because of Proposition 13. In the meantime there have been four tool thefts during the emergency declaration. He said it is cheaper for the City to self-insure.

President Henning directed that the item be put over, and that staff come back with more specific information of cost of individual and group insurance.

Resolution No. 78-0440--Approving the "Transit Only" and the "Streets/Transit" sections of the San Francisco Federal-Aid Urban Systems (FAU) Program for 1979-1984.

Mr. Thomas Matoff, Acting Director of Planning, requested an amendment to the document. He stated that after the document was prepared, information was received from SamTrans, and staff recommends that \$10,000 be deducted from the J- Line Extension to create two information displays for SamTrans.

Mr. Wentz added that a second plan will be forthcoming. The resolution reserves a sum of money, but alternatives still being studied could change. However, it is necessary to reserve the funds.

ITEM NO. 20--Discussion of Boeing Vertol LRV accessibility to elderly and handicapped.

Mr. Lyle Peterson, Coordinator of Elderly and Handicapped Program, stated that a month ago the Commission asked that Boeing Vertol be contacted to determine what it would cost to begin production of various alternatives and the feasibility of making the cars accessible as they now stand. Boeing Vertol could not give any information because a lift for the LRV is not presently made, and it is not known what the product really is. Boeing Vertol indicated that to stop production now would have a tremendous impact on the delivery of any cars. Staff is now communicating with the Department of Transportation regarding obtaining specific funds to develop a lift. Mr. Peterson recommended that when something more is accomplished staff come back to the Commission for a specific recommendation. (See remarks of Gay Blackford under Item No. 13)

Resolution No. 78-0445--Authorizing the General Manager of Public Utilities to issue travel advances to personnel attending training for LRV operations and maintenance in amounts up to \$1,000 per person, all travel vouchers for LRV training to be submitted to the Commission for approval, and the limit of \$500 authorized in Resolution No. 71-0442 to remain in effect for all other travel.

Mr. Ventz explained that there is a problem in that the \$500 limit was established several years ago. Puni will be sending employees to Boston for training, and travel expenses have increased. Under the proposed resolution he would be authorized to advance up to \$1,000 and approve travel vouchers.

Following discussion between the Commission and staff, Commissioner Sanger moved that travel advances up to \$1,000 per person be issued to personnel attending training for LRV operations and maintenance, and that these travel vouchers be submitted to the Commission for approval. The limit of \$500 would remain in effect for all other travel.

THEREUPON THE MEETING ADJOURNED: 4:50 P.M.

Romaine A. Smith
Secretary

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4-78

M I N U T E S
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

George R. Moscone, Mayor

Room 282, City Hall

2:13 P.M.

November 14, 1978

DEC 8 1978

COMMISSIONERS

DOCUMENTS DEPT.
S.F. PUBLIC LIBRARY

John F. Henning, Jr., President

Claire C. Pilcher, Vice President

H. Welton Flynn

Peter McCrea

John M. Sanger

DEPARTMENTS

Municipal Railway

Hetch Hetchy Project

Water Department

BUREAUS

Accounts

Public Service

Personnel & Training

Safety

PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:13 P.M.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Melton Flynn, Peter McCrea, John M. Sanger

The minutes of the regular meeting of October 10, 1978 and October 24, 1978, were approved as corrected.

RESOLUTION
NO.

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0447 HH Authorizing bid call for HH Contract No. 597-Laguna Honda Substation, Install Additional Equipment. Estimated Cost: \$43,000. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0448 HH Authorizing bid call for HH Contract No. 594R-Priest Stilling Well and Domestic Water System Modification. Estimated Cost: \$30,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0449 HH Authorizing bid call for HH Contract No. 603-Sandblasting and Coating Tesla Portal Water Tanks. Estimated Cost: \$18,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0450 W Approving write-off of Water Department uncollectible accounts receivable more than 90 days past due, month of August, 1978; amount \$4,955.18.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0451 W Approving collection of Water Department claims for damages against miscellaneous debtors, amount \$364.57, month of October, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0452 W Authorizing the Director of Property to prepare the necessary legislation for adoption by the Board of Supervisors to consummate the execution of a quitclaim of a portion of the City's 36-inch Alameda Pipeline and right-of-way in the Hiles District, City of Fremont, California.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0453 H Approving Contract Change Agreement No. 26 in the debit amount of \$30,363, to provide for additions to the work under SFMRIC Contract No. MR-609, Muni Metro Pail Center, and requesting the San Francisco Municipal Railway Improvement Corporation to approve and execute Contract Change Agreement No. 26. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0454 H Approving Contract Change Agreement No. 20 in the debit amount of \$1,428.00, to provide for changes in the work, under SFMRIC Contract No. MR-617, Motor Coach Storage and Maintenance Facilities-Phase II, and requesting the San Francisco Municipal Railway Improvement Corporation to approve and execute Contract Change Agreement No. 20. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0455 H Approving Contract Modification No. 3 in the debit amount of \$9,600 to provide for the application of a seal coat to the Municipal Railway right-of-way between St. Francis Circle and Rossmoor Drive, under Contract No. MR-643, H-Line Track Reconstruction, 19th Avenue, Junipero Serra Blvd. to St. Francis Circle and Broad Street and Plymouth Avenue Intersection. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0456 M Approving compromise and collection of a Municipal Railway claim for damages against Michael S. Taylor, amount \$1,500.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0446 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$144,500.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

- 78-0457 HH Authorizing the expenditure of funds from the 1955 Power Bond Fund not to exceed \$20,000 to complete the Clavey-Wards Ferry Power Development Work Plan and perfect the preliminary application, as directed by the Federal Energy Regulatory Commission.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

- 78-0458 W Amending present Commission policy stipulated in Resolution No. 74-0390 for Class I permits to read as follows:

"Gardening and landscaping by adjoining property owners- \$10.00 minimum permit fee, renewable biennially, required."

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

- 78-0459 W Authorizing the Acting General Manager and Chief Engineer of the Water Department to award 130 acre grazing lease, bid parcel "K" to Jorman Marciel at a minimum rental of \$20/ac/yr; and 67 acre grazing lease, bid parcel "L" to Jack Bohan at a minimum rental of \$18/ac/yr.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0460 M Opposing providing additional transit service to accommodate Pier 39 unless the annual deficit of such service is underwritten by Pier 39.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

- 78-0461 M Urging the Board of Supervisors to fund the tool loss provisions in the MOU with automotive Machinists Local 1305, and to prepare a Charter

Amendment to delete Section 8.411 of the City Charter so the Board of Supervisors can review and decide employee loss claims on an individual basis.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0462 M Directing the Municipal Railway to provide free transportation to firefighter personnel of the SFPD when on duty, in uniform; and to traffic controllers of the SFPD when on duty, in uniform from this date to June 30, 1979; and directing staff of Municipal Railway to take necessary action to amend Rule No. 32, Item 18 of the Official Municipal Railway Safety Instruction Manual to accommodate this provision.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Flynn, the following resolution was adopted:

78-0463 M Opposing extension of the privilege of free transportation aboard Municipal Railway vehicles.

Vote: Ayes-Pilcher, Flynn, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER- Mr. John R. Wentz
Streets & Transportation Committee Actions on October 26, 1978

The Streets & Transportation Committee referred to the full Board a resolution urging the Mayor to request the PUC to name the Muni Metro Center after Charles Miller.

The Committee recommended affirmatively to the Board of Supervisors the three (3) items having to do with the transit shelter program.

Supervisor Harvey Milk's proposal of free Muni Fast Passes to all City employees has been tabled.

Board of Supervisors Actions on November 6, 1978

The Board of Supervisors re-referred advertising shelter items to the Streets and Transportation Committee at the request of San Francisco Beautiful which stated insufficient notice was given. The Committee clerk will mail notices to SPUR, other interested groups and individuals who have written Muni requesting shelters. These items will be heard on November 30, 1978.

Cable Car extension items will not be on the November 30, 1978 calendar of the Streets and Transportation Committee, and there will be no meeting in December. These items will be heard on January 25, 1979.

Budget Schedule

There will be a minor change in the budget delivery schedule caused by more complex budget instructions from the Mayor and the Controller. Budgets for all departments other than the Municipal Railway will be delivered on schedule November 21, 1978. Muni budget will be delayed but will be delivered November 24, 1978. Budget briefings for Hetch Hetchy, Water Department, General Office, Bureau of Light Heat & Power, and Computer Center will be held on November 29, 1978, and the budget for the Municipal Railway on November 30, 1978. A public hearing on these budgets is scheduled for December 5, 1978.

Proposition A Type Charter Amendment

The Mayor intends to re-submit a Proposition A type Charter Amendment in three weeks. In the interim, until the next election, the Mayor's Office will be added to the Transportation Policy Group. The Mayor's Transportation Cluster meetings will be discontinued. This will strengthen the TPG as a coordinating factor in transportation matters. The next meeting will be held in the Mayor's Office, and Dai Okamoto, Director of City Planning, will continue to chair the meetings.

Gruen & Gruen Professional Services Agreement

Mr. Wentz reported that Gruen & Gruen commenced work November 13, 1978. New instructions have been received from the Mayor's Office that any fare modification proposal must be submitted to the Board of Supervisors by March 1, 1979. The agreement calls for a 21-week work plan, which would submit it to the PUC on April 9, 1979. Staff met yesterday with Gruen & Gruen, and it was agreed that the time could be reduced by five weeks, but no more, unless the scope is modified. Consultant and staff believe the scope can be modified to produce a worthwhile report in eight weeks by January 15, 1979. Mr. Wentz said staff would like the Commission to consider appointing a committee of two Commissioners to work with staff and consultant to perfect a modification in scope and price. A special meeting could be held on November 17, 1978, to act upon the committee's recommendations.

Commissioner John M. Sanger asked what types of modifications would be made.

Mr. Wentz replied that consultant would not be able to do a telephone survey or a more involved ridership survey to test the validity of the PON study.

Commissioner H. Melton Flynn asked what would happen if the proposal was not completed by March 1, 1979.

Mr. Wentz replied that the Mayor's office will oppose any proposal after that date regardless of what it is.

Commissioner Flynn asked why the work could not have been done in eight weeks in the first place.

Mr. Wentz replied that it was desired to make the study more comprehensive. He said it would be highly desirable to use the truncated approach. Some of the other work could be done later. The agreement is totally funded by MTC.

Responding to a question from Commissioner Sanger, Mr. Wentz advised that the Mayor's submission of the budget is required to be before the Board of Supervisors on April 1, 1979.

Commissioner Sanger commented that Proposition 13 makes the amount of the ad valorem tax available a certainty. He said the agreement could be cancelled, but feels that would be a mistake in view of the effort to date.

Commissioner Claire C. Pilcher stated that she has strong feelings that the proposed procedure would be circumventing what the Commission is trying to accomplish. Staff was instructed to work further with Gruen & Gruen to attempt to develop a procedure for meeting the new deadline.

Muni Metro Test & Acceptance Program and LRV Start-Up Program

Mr. Wentz reported that as of today MMTA has agreed to fund a Muni Metro test and acceptance program (\$795,000) and the start-up of the LRV program (\$1,800,000). The Federal share will be 80%. The local share for the testing and acceptance program will come from the SFMTA, and the local share for the start-up program will come from the Muni budget.

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Mr. Curtis E. Green, General Manager, Municipal Railway, reported on Municipal Railway items, as follows.

California Cable Car Line

Mr. Green stated that on November 19, 1978, the California Line will be shut down to permit sewer repair work on California Street. Bus service will be provided.

Automobiles in Bus Zones

As of November 17, 1978, Muni, in conjunction with the TNU and the Police Department will be able to cite owners of automobiles parked in bus zones. Inspectors will be sent to the scene to issue citations. The Police Department is now giving inspectors the authority to order towing from bus zones.

Golden Gate Transit

Pending approval of the Board of Supervisors, Golden Gate Transit will be operating from Pier 1 to Union Square through December 29, 1978.

Cable Car Accident

Mr. Green reported that today at 11:15 a.m. there was an accident on the California Line at Kearny Street when a cable car

hit a depression beam. There were 11 minor injuries. He said it appears that something went wrong in the slot. The beam was installed July 13, 1973, and has been inspected daily and serviced several times.

Mr. Lawrence B. Martin, President, TWU, reported that the grimman was thrown through the window. He said the accident is still being investigated.

Commissioner Peter McCrea commented that there seems to have been a rash of cable car accidents in the last 4 to 6 weeks.

Mr. Green said he did not share Commissioner McCrea's observation that there has been a rash of accidents. He said he will go back over the past several weeks and obtain a list of the accidents and compare them with another period.

Mr. Martin said he will seek assistance from Cal-OSHA and the State PUC.

President Henning asked that efforts be coordinated with staff.

Greyhound Bus

Mr. Green invited the Commission and all interested parties to a film presentation of a bus developed by Greyhound Corporation. This presentation will be held at 9:00 a.m., November 15, 1978, in the Muni Conference Room, 949 Presidio Avenue.

Resolution No. 78-0457--Authorizing the expenditure of funds not to exceed \$20,000 from the 1955 Power Bond Fund to complete the Clavey-Yard Ferry Power Development Work Plan and perfect the preliminary application, as directed by the Federal Energy Regulatory Commission.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power, advised that on November 13, 1978, he received notice from the Turlock Irrigation District that the District has authorized the R.M. Beck Company to proceed with a developmental work plan to meet the requirements of the FERC for a preliminary permit application.

At the election of November 7, 1978, the voters of Tuolumne County, by a 2 to 1 majority, adopted an advisory statement opposing further development on the Tuolumne River. The Board of Supervisors of Tuolumne County is on record as supporting additional development on the River, and Tuolumne County Water District No. 2 reaffirmed its support of the development a week prior to the election by a unanimous vote. Mr. Moore said there is no indication as to the outcome of the present study regarding a wild, scenic or recreational designation of the river. There is a difference of opinion between the Forest Service and the Park Service--the Forest Service supporting development. The Turlock Irrigation District on its own initiative authorized preparation of a work program. Hetch Hetchy has 60 days in which to act. It is Mr. Moore's opinion that San Francisco should invest another \$20,000 to perfect the preliminary application.

Responding to a question from Commissioner Pilcher, Mr. Moore stated that Hetch Hetchy will lose its rights to participate if it does not act now.

Mr. Moore explained that Hetch Hetchy's share would be one-half. It might be necessary for the consultant to attend hearings before the FERC to testify on the work program. The total cost could go to \$20,000.

Commissioner Sanger asked how much would be spent for survey work under the preliminary permit.

Mr. Moore replied that money for survey work would not be expended until there is a decision on wild, scenic or recreational development. The area could be declared a wilderness.

Responding to a question from Commissioner Sanger, Mr. Moore replied that the irrigation districts have indicated they do not want to invest until final recommendations are out in October, 1979. Recommendations have to be presented to Congress.

Commissioner McCrea asked if the 1979-80 budget on alternate ways to develop the Tuolumne River is on a schedule compatible with the above.

Mr. Moore replied affirmatively.

Mr. Brad Welton, attorney for Friends of the River, stated that the voters of Tuolumne County voted 2 to 1 against constructing specific dams. He said he is concerned that Hetch Hetchy may be spending \$20,000 to perfect the preliminary application when the Department of the Interior has stated that San Francisco is responsible to pay for an EIR which San Francisco requested regarding increased flow. He said if the City is going to spend money it should spend \$196,000 for an EIR rather than money for studies to be done by the Districts.

Mr. Moore stated that the City does not agree that it is obligated to pay for an EIR.

Commissioner Pilcher said this would be post Congressional action.

Mr. Moore commented that the two matters are totally separate.

Commissioner Sanger asked why Hetch Hetchy is trying to obtain a preliminary permit now instead of after October, 1979.

Mr. Moore replied that the Irrigation Districts initiated action at this time and Hetch Hetchy is participating, because it has an agreement with the Districts dating from 1948 to join with them in future development or be excluded. The preliminary permit guarantees a place in line to have a right to develop the river if the FERC decides it is desirable.

President Henning added that the City has a legal responsibility to assume its share, and the Districts could sue the City for its share.

Commissioner Sanger commented that there are no other entities with water rights to the Tuolumne River.

Mr. Moore replied that any one could file, including Tuolumne County or the PG&E.

Mr. Brad Welton asked if Hetch Hetchy has considered waiting until a decision is made by Congress.

Mr. Moore replied that the Districts have indicated they feel strongly that this matter should go forward.

ITEM NO. 11--Presentation by Warren Simmons of a proposal to extend the No. 59 Powell-Mason Cable Car Line beyond the proposed terminal at Jefferson and Taylor Streets to the foot of Pier 39.

Mr. Warren Simmons stated that he supports the extension of the No. 59 Cable Car Line to Jefferson and Taylor Streets, and is requesting that it be further extended to Pier 39. There are 140 tenants on Pier 39--more than half of whom are residents of San Francisco. Of the 2,000 employees on Pier 39, 1500 live in San Francisco. Fifty-three percent of the visitors are residents of San Francisco. There are 50,000 visitors on weekends and holidays, and 20,000 on week days.

Mr. Simmons said Pier 39 would be a beautiful place for a cable car terminus, as it is on the bay with a view of the water. To extend the line to Pier 39 would cost \$3 million. Tenants of Pier 39 are willing to form a taxing district to provide the 20% share the City would have to provide.

Commissioner Pilcher asked if this would extend to operation of the line once it was installed, and Mr. Simmons replied it would not.

He said the entire area should be a plaza, and urged that consideration be given to closing this part of the Embarcadero to thru traffic, but keeping it open to delivery trucks. Powell Street could be opened to get cars to the garage. He said that if the Kirkland bus yard were vacated it should be converted to a garage. A second level of Kirkland could be used for parking. The traffic congestion is so great on weekends that fire trucks can not get through. A fire boat is stationed at Pier 39 on weekends. Mr. Simmons asked that the Commission direct staff to make a study of the feasibility of extending the cable car line to Pier 39 if it is extended three blocks.

Commissioner Pilcher commented that if Mr. Simmons' parking garage had been completed there would be less of a problem. There was apparently bad planning along the line, and Mr. Simmons is now asking the City to solve the problem in order for him to accommodate his customers.

Mr. Simmons stated he was cut back to a 1,000 car garage.

Commissioner McCrea questioned whether there could be a rail line up the Embarcadero to provide access. He asked if Mr. Simmons would make the same offer of forming a taxing district, to assist in funding an Embarcadero rail line.

Mr. Simmons replied he would make the same offer if everyone at Fisherman's Wharf would join in.

Commissioner McCrea said he did not think extending the cable car line would solve the problem.

Commissioner Sanger commented that more transit is needed in the area. He said extending the cable car line would do nothing to add transit capacity to the area, and that more parking brings more cars which brings more congestion. Transit could be expanded by having a new service along the Embarcadero.

Mr. Simmons commented that there are 2,000 employees at Pier 39 who have no way of getting home after 6:30 p.m. on the Municipal Railway. He said he would support a new rail service, and that merchants at Pier 39 would vote to assess themselves for having a rail line along the Embarcadero as well as extending

the cable car line. He said, however, that he is opposed to a single area subsidizing Muni.

President Henning asked about the availability of funding for a feasibility study on this proposal.

Dr. John W. Christensen, Jr., Assistant General Manager, Finance, advised that a feasibility study could be done by the TIP control group. He said the real problem is an assumption that \$2.4 million would be available from UMTA for construction of the extension. He said that in a discussion with UMTA representatives this morning, he was advised that the allocation for the San Francisco Bay Area in this fiscal year will probably be \$23 million, as opposed to the previous fiscal year amount of \$55 million. It will be difficult to fund all of the programs with UMTA money. Priorities will have to be established in order to accomplish those programs that are most important. An extension of the cable car line to Pier 39 would have to assume a relative position in the priority list.

President Henning asked if there would be any savings in making it one project all the way as opposed to having two steps.

Dr. Christensen replied that the proposed extension to Pier 39 would cost an additional \$3 million. It is now contemplated it will cost \$1.9 million to go to Jefferson and Taylor Streets. The turn table installation would be further down the line so there could be some change.

Commissioner McCrea commented that a year ago he wrote Mr. Wentz to have a study commenced of the northern rail line.

Mr. Wentz replied this study is not completed, but is one of the projects before the Transit Planning staff. Implementation of the PQM study was given first priority.

Commissioner McCrea stated that extending the cable car line to Pier 39 would enhance Pier 39. He said money for studies should be put into a study of a streetcar line to serve the users of the GGIRA as well as aiding Pier 39, and efforts should be concentrated on the study of a rail line on the Embarcadero.

Mr. Wentz commented that both studies could be done as the feasibility study for cable car extension to Pier 39 would be relatively simple and could be done by the TIP group. The other study would be more of a planning effort and could be done by the planning staff.

Commissioner McCrea noted that many planning studies have stacked up and are not getting done for good and sound reasons. He asked about the prospect of contracting studies out instead of relying on an over taxed planning staff.

Mr. Wentz replied that funding sources would have to be developed, and that perhaps this could be done through MTC.

Commissioner Sanger asked if Mr. Simmons and other merchants in the area would be interested in assisting the Commission in funding studies of this type in order to speed conclusions regarding a rail line or cable car extension.

Mr. Simmons said he would consider assisting with studies of the cable car extension, and asked how much money would be needed.

Dr. Christensen estimated that it would cost \$40,000 to \$50,000 for a feasibility study of the cable car extension. He said to do an extension on the Embarcadero could be very expensive.

Commissioner H. Melton Flynn stated that it is necessary to get an extension to Jefferson and Taylor first, even if the money were available. He said he would not tax the staff to do anything on a cable car extension to Pier 39 at this time, but would use the staff to study a rail line.

Commissioner Pilcher stated that citizens have been crying for years for transportation along the Embarcadero, and to drop everything and have the staff or contractors study transportation for specific projects would be setting a very unfortunate precedent.

Mr. Maurice Klebolt, President, CAPTrans passed out a letter to the Commissioners, and read from that letter. He said he feels that the Commission is being "stonewalled" by its own staff, and that a separate and distinct system is needed. A line could be opened from Pier 39 to Aquatic Park using streetcars from Melbourne Australia, which are simple vehicles and easy to maintain. He asked where Mr. Simmons was when the Improvement Program began, and asked if he cares about transit to Hunters' Point and other areas.

He said it is the feeling of CAPTrans that it is the responsibility of a citizens' Commission to serve the interests of the City as a whole and not special interest groups. Mr. Klebolt said that CAPTrans would like to extend an invitation to Mr. Simmons and to Mr. Alioto and others to join with CAPTrans in working out a master plan for additional transit in that area. He noted that if the cable car line were extended to Pier 39 there would be salt water in the slot, and stated it had been necessary to employ pumps to keep the channels dry for the cable line in front of City Hall before the earthquake.

Mr. Norman Rolfe of the Citizens Advisory Committee for Cable Car Improvements, stated that the proposed extension to Jefferson and Taylor Streets is one which Muni should pursue. He spoke in favor of an Embarcadero rail line, and said that rerouting buses under the POM plan would be of maximum benefit to a maximum number of people.

Mr. Walter O'Donnell said that Mr. Simmons is not going to help with the ongoing cost of a 6-block extension, and that the proposed taxing district includes City-owned Port lands.

Mr. Lawrence B. Martin, President, TWU Local 250-A, spoke in favor of Mr. Simmons' proposal, especially parking for Muni buses over the Kirkland yard.

Resolution No. 78-0460--Opposing providing additional transit service to accommodate Pier 39 unless the annual deficit of such service is underwritten by Pier 39.

Mr. Green reported that Muni staff had several meetings with members of other City departments regarding transit service to Pier 39. The service that Muni was providing on the Embarcadero to Pier 39 was inadequate.

A proposal was made that Muni add two buses to the 32 line on Saturdays and Sundays between 10:00 a.m. and 6:00 p.m. The first two weekends Muni carried 540 passengers on Saturday and 772 passengers on Sunday, and still was not able to carry the number of patrons wishing to use transit service. A proposal was then made to extend the hours of this service to 12:00 midnight. The cost of this operation has been \$900, but revenue was \$323, for a net loss of \$572 per weekend.

It has been agreed that this additional service will be funded by the Waste Water Management until the parking lot is completed on

November 23, 1978. The cost for service on 30 weekends for the balance of the fiscal year would be \$34,320. Mr. Green said there is money in the appropriation for operators' platform wages, if straight time is paid instead of overtime.

Commissioner Pilcher asked about missed runs due to lack of operators.

Mr. Green replied that Muni is now missing 9 to 13 runs daily, but by the end of the year will have a sufficient number of operators to maintain scheduled service.

Commissioner McCrea commented that the money could be returned to the general fund.

Mr. Green stated that the number of people using Line 32 has tripled since Pier 39 opened, and that peak boarding points are the Ferry Building and Pier 39.

Commissioner Flynn stated that the 15 Line, the 42 Line and the 30 Express Line are overcrowded. He said the 30 Express Line has people waiting every day in the Bayview and Hunters Point areas, and Supervisor Robert E. Gonzales has said nothing about this. Commissioner Flynn stated that he is opposed to providing supplemental shuttle service to Pier 39 when people can not get on the 30 Line in the mornings. He would like to see something done for the working people who foot the bill.

Commissioner Sanger stated that he agrees with Commissioner Flynn in that there are too many priorities that have never been met. Whoever is to benefit from additional service on Line 32 should pay for it.

Mr. Simmons commented that Pier 39 merchants are paying as their taxes are estimated at \$1.7 million per year. He said Pier 39 merchants advocated a rail line but were turned down.

Mr. Klebolt said he would suggest to Messrs Simmons and Green that there is a "bail out". Delancy Street has a double deck bus which is idle most of the year. They could make the bus available which would add color to the area. Muni could maintain the bus, and Mr. Simmons could make an arrangement to subsidize the City. The vehicle could be obtained for nothing, and maintenance would be minimal.

Mr. Walter O'Donnell pointed out this would take 9 votes of the Board of Supervisors, and Fire Chief Andrew C. Casper has said "no" to a coal or wood burner on the waterfront.

Commissioner McCrea made a motion opposing additional transit service to Pier 39 unless the deficit of such service is underwritten by Pier 39. Commissioner Pilcher seconded the motion, and added that the on-going deficit must be picked up by Pier 39. The motion was unanimously adopted.

Commissioner McCrea directed that staff come back at the PUC meeting of November 28, 1978, with a proposal on how to expedite a feasibility study of a waterfront rail line.

Mr. Simmons asked if the Commission would allow Pier 39 to operate a transit system along the Embarcadero by means of a people mover.

Commissioner McCrea stated that Pier 39 would have to bring back a specific proposal.

Commissioner Flynn noted that Mr. Simmons knew about Pier 39 employees when he went there, and knew there would be a 1000-car garage. He said there are enough problems for Uni drivers inspite of Pier 39, and consideration should be given to drivers at Kirkland rather than to employees of Pier 39.

Commissioner Sanger stated that the greatest step forward is to know that the Commission is committed to a permanent solution. He said he would step to Mr. Simmons' defense and to the defense of a City transportation plan which discourages people from driving cars to work.

Resolution No. 78-0461--Urging the Board of Supervisors to fund the tool loss provisions in the MOU with Automotive Machinists Local 1305, and to prepare a Charter Amendment to delete Section 3.411 of the City Charter so the Board of Supervisors can review and decide employee loss claims on an individual basis.

Commissioner Sanger commented that an offer was made during negotiations leading to the MOU that if each employee would take out insurance the City would agree to reimburse for a certain amount. He asked why this can not be put into effect.

Mr. Merrill R. Cohn, Transit Equipment Engineer, stated that funds are not available.

Commissioner Sanger noted that funds could be budgeted in the future, but there is no way to provide money now.

Mr. Cohn stated that on advice of counsel the only way to get something would be through a Charter Amendment.

Commissioner Sanger noted there are two issues. One is a future plan to insure that employees do not suffer losses, and the other issue is retroactivity.

Mr. McMorris M. Dow, Utilities General Counsel, stated retro-active payments can not be made even by a Charter Amendment.

Commissioner Pilcher asked why employees can not have a rider on their home owners policies to include off premises coverage.

Mr. J.B. Martin, representing Machinists Automotive Trades, Local 1305, said this is something new, and only Allstate is willing to underwrite it. Many employees are not home owners, or do not have other insurance. One insurance carrier was willing to write it through the City. Union members voted to take \$90 and take care of their own insurance, but they did not get the money.

Commissioner Pilcher stated that security should be considered, as one employee has had four losses. If there is adequate security there will not be a problem unless it is internal. She suggested that workers be responsible for their own tools.

Mr. Martin said he speaks for mechanics in the shop. He said security has been tightened but there have been some thefts, and there is \$11,000 worth of outstanding tool thefts for the past three years. He said the City has a responsibility, and for the past three years this has been in the MOU.

Mr. McMorris M. Dow stated that the MOU is with the Board of Supervisors.

Mr. Martin said the agreement was ratified, and unallocated funds should not be a problem.

Mr. McMorris H. Dow stated that it is not necessary to come to the Commission to get a Charter Amendment.

Commissioner Sanger said he believes adequate security for tools should be provided; but it is not good policy for the City to insure something over which the employee should have control.

Responding to a question from Commissioner Pilcher, Mr. Martin stated there have been no tool losses in the last six months.

Mr. Martin brought up the problem of the past; but Mr. Dow stated this would have to be taken up with the Board of Supervisors.

Mr. George Duarte, Deputy General Manager, Engineering & Maintenance, commented that there were some tool boxes lost at the Woods yard during the past 5 to 6 months, and some tools have been lost at Muni Metro Center.

Responding to a question from Commissioner Sanger, Mr. Dow replied that the Charter section in question provides for reimbursement for employees' personal property that is damaged or destroyed. It carefully stays away from "lost or stolen". The labor people felt that did not bar them, and that is how it got into the MOU. The Board of Supervisors did not fund it.

Commissioner Sanger asked why the Board can not enact an ordinance.

Mr. Dow replied that once it is in the Charter, the Board can not act.

Mr. Martin commented that there is nothing in the Charter which states that employees must have tools on the premises.

Commissioner Sanger said he would support a simple resolution to the Board of Supervisors suggesting that they eliminate the entire Charter section in order that they can deal with the situation. The Board's ability to negotiate is constricted by the Charter. He moved adoption of a resolution suggesting that the Board of Supervisors delete Charter Section 8.411 so that the Board of Supervisors may deal by ordinance with any problems due to theft, disappearance or any loss.

This motion died for lack of a second.

Commissioner McCrea asked if there would be any problem if the Board of Supervisors had funded the MOU.

Mr. Dow replied in the negative.

Commissioner McCrea offered a substitute motion that the Commission send a letter to the Board of Supervisors asking that they fund the MOU already negotiated with the union as soon as possible. Commissioner Pilcher seconded the motion, which was unanimously adopted.

President Henning was excused from the meeting at 4:35 p.m., and the remainder of the meeting was chaired by Vice President Pilcher.

Authorizing the General Manager of Public Utilities to address a letter to the Mayor requesting him to initiate procedures for jurisdictional transfer of property west of the westerly curb line of the Lower Great Highway between Irving and Judah Streets from the Department of Public Works to the Public Utilities Commission for construction of new terminal facilities for the M-Judah streetcar line.

Mr. Rino Bei, Program Director, Transit Improvement Program, passed out vicinity maps to the Commission. He said the item is before the Commission because the Administrative Code provides that requests for transfers of jurisdiction over property from one City agency to another shall be initiated by filing a request with the Mayor in writing that a transfer be made.

The present terminal for the M-Line is largely in the rights-of-way of Judah Street and La Playa. Cars go into a loop arrangement and return.

The present configuration requires that other cars be parked on that loop. Muni is trying to develop a terminal facility which would remove the new LRVs from the intersection where they would be blocking traffic and be exposed to collision by other vehicles.

Four schemes were developed. The first was to go one block to the South. A public meeting was held in the neighborhood, and 1500 leaflets were prepared describing the project. A meeting was held at the Mark Twain School in May. Of the 36 people attending, 10 were City employees including representatives of the Police, Fire, City Planning and Public Works Departments. Most of those present were residents of the block between Judah and Kirkham Streets. They did not want the cars in front of their homes, and asked why the cars could not be stacked up on Judah Street.

Following the public meeting, Muni met with the City departments again. Consideration was given to going in a northerly direction. The land immediately opposite is vacant, and because of its shallow depth is unbuildable. Two loading platforms have been incorporated into the plan, including a handicapped ramp on a platform. It is proposed that the handicapped ramp be located on the inbound platform so it could serve a dual function. The land is involved in the Waste Water Management Project, but this does not cause any impact.

The proposed project has also been submitted to the Inter-departmental Staff Committee on Traffic and Transportation (ISCOTT), which has given no objection. The Department of Public Works and the City Planning Department support the project. A negative declaration has been received from the City Planning Commission. That was appealed by a property owner and The Tides End Community Association. The Planning Commission voted to support the finding of a negative declaration, but asked for landscaping.

Commissioner Sanger asked about scheme 3, and Mr. Bei replied that there is a benefit from an operational point of view for wheel wear and track wear. There are times, especially in the morning peak hours, when it may be necessary to store a car, and there is additional trackage.

Responding to a question from Commissioner Sanger, Mr. Bei stated that access to the beach would be through an underpass.

Following discussion between Commission and Staff, Mr. Morris M. Dow, Utilities General Counsel, advised that the City Attorney's Office has had a request for an opinion, and it appears that the lower Great Highway is dedicated to park purposes. Therefore, the proposed resolution should be changed.

Commissioner Pilcher asked if adequate notice had been given.

Mr. Bei replied that a public meeting was held in the neighborhood.

Commissioner Pilcher said she was referring to people interested in the preservation of open space and park land.

Mr. Joseph Balanesi, Jr., Attorney at Law, stated that in the diagrams submitted by Muni the vacant space as set forth is out of proportion. He supplied the Commission with corrected copies. He stated the triangular parcel of land in alternative 3 goes all the way to the corner--not halfway down the block.

Mr. Bei said this was an error made by his staff, for which he apologized.

Mr. Balanesi commented that it has been admitted there will be an increase in the noise level and a change in the physical aspects. He suggested placing the terminal where it would cause the least impact.

Commissioner Sanger stated the matter would have to be deferred until there is clarification as to jurisdiction. He moved that the item be taken off calendar until the matter of jurisdiction is resolved and Commissioner Flynn seconded the motion, which was unanimously adopted.

Commissioner McCrea requested that accurate maps be submitted when the item is re-calendared.

ITEM NO. 15--Report on the status of progress of implementing UTDC recommendations.

Mr. George Duarte stated that on Labor Day there were 19 missed runs out of Kirkland Division due to no equipment. He said the trend is now downward, and it is expected to remain downward, although it is expected there will be "ups and downs" while implementing the UTDC recommendations.

Commissioner McCrea asked what in the UTDC report will cause things to become worse first.

Mr. Duarte replied, "All the large items". It will be necessary to change attitudes, work shifts, and to teach people new ways. During that period of time there will be ups and downs. There is a long system of communications, and it will take more time consuming management effort. Cycles have been changed at Kirkland. Mr. Duarte said there is a page in the report showing the status of UTDC recommendations, which has been updated as of October 10, 1978.

Commissioner McCrea referred to the summary report and milestone events with dates. He asked if this has been done.

Mr. Duarte replied affirmatively.

Commissioner McCrea asked if issuance of some written instructions has been taken care of, to which Mr. Duarte replied, "Yes".

Commissioner McCrea asked Mr. Warren Bartram of UTDC if he sees a change in attitude since this was done.

Mr. Bartram replied that more progress has been made, but less than expected. He said he has a difficult time making a judgment on how fast Muni could develop such a far reaching program. The average time for any one item is 3 to 4 weeks, and many can be done simultaneously. He said there is a reluctance to change, but gains are being made. Some of the employees have been to Canada and have seen the Calgary and Toronto systems in action.

Commissioner McCrea asked if there is any prognostication as to when these recommendations will be fully implemented.

Mr. Duarte replied that Muni is projecting from 18 months to two years. A request for a supplemental appropriation for classification changes will be forthcoming, and staff expects to have a facilities supplemental appropriation request and an equipment supplemental appropriation request in front of the Commission at the meeting of November 28, 1978.

Mr. Bartram commented that it is taking approximately twice the length of time expected.

Commissioner Flynn requested that staff report to the Commission a month from now on times certain phases are expected to be completed. He asked that a chart be produced so that the Commission will know target dates.

Commissioner McCrea asked if there is any way staff can quantify in a commitment to the Commission some form of progress that the Commission can measure as a way of monitoring how successful the exercise is.

Mr. Duarte replied that staff will try to do so, and added that goals are a measure of how well staff is doing.

Commissioner McCrea asked when staff envisions coming out with staffing recommendations.

Mr. Duarte replied that these will be available at the Commission meeting of November 28, 1978. He said they will be used in preparation of the budget.

Resolution No. 78-0462--Directing the Municipal Railway to provide free transportation to firefighter personnel of the SFPD when on duty, in uniform; and to traffic controllers of the SFPD when on duty in uniform, from this date to June 30, 1979; and directing staff of Municipal Railway to take necessary action to amend Rule No. 32, Item 13 of the Official Municipal Railway Safety Instruction Manual to accommodate this provision.

Resolution No. 78-0463--Opposing extension of the privilege of free transportation aboard Municipal Railway vehicles.

Commissioner Sanger asked if Muni still uses any tokens.

Mr. Duarte replied affirmatively and said that City departments buy them from Muni.

Commissioner Pilcher pointed out that some departments do not have money in their budgets to buy them this fiscal year.

Commissioner Sanger proposed that the Commission act on a temporary basis to take care of the remainder of the fiscal year, and thereafter every City department be required to purchase tokens from the Municipal Railway.

Assistant Fire Chief Ray Landi said the proposed resolution should read "in uniform".

Responding to a question from Commissioner Pilcher, Mr. Landi stated that fire inspectors use Muni for inspecting and in going from station to station.

Commissioner Pilcher asked why the Fire Department should have this privilege as opposed to other City departments.

Mr. Landi replied that Fire Department employees should have the privilege of riding Muni free only on City functions, not going back and forth to work. Not all other departments are in uniform.

Commissioner Sanger moved that all City departments purchase tokens and make them available at work for work related trips; and that the Municipal Railway provide free transportation to firefighter personnel of the SFPD when on duty, in uniform, and to traffic controllers of the SFPD when on duty, in uniform from this date through June 30, 1979.

Commissioner Flynn seconded the motion.

A representative of the Police Department stated that traffic controllers are not unlike Transit Police Officers. They are equipped with radios, and could lend security on the Municipal Railway. Only 13 traffic controllers are employed on a day-to-day basis, and Muni would benefit by their presence. He said the Police Department is asking for free transportation in moving from one work location to another.

Commissioner Flynn commented that this would be in effect only from now until the end of the fiscal year.

Mr. Klebolt stated that President Henning was going to bring up the matter of CAPTrans having free passes.

Commissioner Flynn commented that President Henning was not present, and moved for the agenda.

Commissioner Pilcher stated there was a motion and second on the floor, and asked for a vote. The motion was unanimously adopted.

Commissioner Sanger moved that the Commission go on record as opposing the extension of the privilege of free transportation aboard Municipal Railway vehicles.

Commissioner Flynn seconded the motion, which was unanimously adopted.

THEREUPON THE MEETING ADJOURNED: 5:25 P.M.

Romaine A. Smith
SECRETARY

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Dianne Feinstein
Acting Mayor

Room 282, City Hall

2:00 P.M.

November 28, 1978

COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Welton Flynn
Peter McCrea
John M. Sanger

DEC 8 1978

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DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
PUC Computer Center

John B. Wentz
GENERAL MANAGER OF PUBLIC UTILITIES
Romaine A. Smith
SECRETARY

Call To Order: 2:00 P.M.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Welton Flynn, Peter McCrea, John M. Sanger

President John F. Henning, Jr., stated it was appropriate to acknowledge the tragic events of the past day. He said the meeting would be adjourned after a moment of silence in memory of Mayor George R. Moscone and Supervisor Harvey Milk.

(A period of silence was observed)

President Henning stated that the budget Briefings scheduled for November 29, 1978, and November 30, 1978, would be cancelled. He said the public hearing on budget proposals for fiscal year 1979-1980 will be held on December 5, 1978, and then adjourned the meeting until that date.

THEREUPON THE MEETING ADJOURNED: 2:03 P.M.

Romaine A. Smith
Secretary

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Dianne Feinstein
Mayor

SPECIAL MEETING

Lurie Room, Public Library

2:35 P.M.

December 5, 1973

JAN 22 1979

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COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Melton Flynn
Peter McCrea
John H. Sanger

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
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BUREAUS

Accounts
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Personnel & Training
Safety
PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:35 P.M.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Melton Flynn, Peter McCrea, John H. Sanger

President John F. Henning, Jr. arrived at 2:30 p.m.; Vice President Claire C. Pilcher presided in the absence and called the meeting to order.

The minutes of the regular meeting of November 14, 1978, were approved as corrected.

The minutes of the meeting of November 28, 1978 (adjourned) were approved.

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO.

78-0465 GO Approving In Memoriam resolution mourning the death and honoring the memory of the Honorable George R. Moscone.

78-0466 GO Approving In Memoriam resolution honoring the memory of the late Harvey Milk, member of the Board of Supervisors.

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0467 HH Accepting as satisfactorily completed work under HH Contract No. 536, Streetcar Overhead System, West Portal Avenue, Conversion for Pantograph Operation and Related Street Lighting Work; approving contract modification of \$1,229.52; and authorizing final payment of \$35,214.59 to Mahoney Electric Company, Inc., Contractor. (Power Improvement Program/Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0468 HH Accepting as satisfactorily completed work under HH Contract No. 580, Mission, Bryant, Alameda, 16th, 14th and 8th Streets, and South Van Ness Avenue, Underground Duct System; approving credit modification of \$19,786.49; and authorizing final payment of \$69,595.52 to Underground Construction Company, Inc., Contractor. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0469 W

Requesting the Mayor to recommend to the Board of Supervisors that the position of Senior Water Chemist be filled immediately, per the Annual Appropriation Ordinance, Section 10, Subsection 7.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0470 M

Approving plans and specifications and authorizing bid call for Contract No. MR-657 M-Line Extension- San Jose Avenue at Interstate 280 Overpass-Track Construction and Power Facilities-award subject to the concurrence of UMTA. Estimated Cost: \$530,182. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0471 M

Authorizing bid call for Contract No. MR-717-Potrero Car House Paint Shop, Wash Room-award subject to the concurrence of UMTA. Estimated Cost: \$11,500.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0472 M

Approving compromise and collection of Municipal Railway claims for damages against miscellaneous debtors, amount \$5,142.43, month of October, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0473 M

Approving payment of claims, amount \$57,842.40, from Municipal Railway revolving fund, month of October, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by McCrea, the following resolution was adopted:

78-0464 M

Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$144,548.92

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0474 W

Authorizing the General Manager and Chief Engineer of the Water Department to execute an approximate .30 acre revocable land use permit to Aetna Life Insurance Co., for parking and landscaping purposes for certain Water Department property located in Santa Clara County, commencing July 1, 1978, at a monthly rental of \$325 plus reimbursement of taxes and assessments, subject to rental adjustment every three (3) years until revoked.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Flynn, the following resolution was adopted:

78-0475 W

Denying claim filed October 12, 1978, by John Raffo, individually and DBA Green Giant Garden and Home Supply, Inc., against the City & County of San Francisco; and if claim is withdrawn by claimant, authorizing the Acting General Manager and Chief Engineer of the Water Department to negotiate a revocable permit with lessee and/or claimant for interim occupancy of 1.95 acres of land in Millbrae.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0476 W

Authorizing the Director of Property to prepare the necessary legislation for the enactment of the Board of Supervisors to consummate the execution of the exchange of property rights involving the Water Department's Bay Division pipeline No. 3 & 4 right-of-way Parcel 107-A in Santa Clara County between the City and County of San Francisco and McKeon Construction Company.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

78-0477 W

Authorizing the Acting General Manager and Chief Engineer of the Water Department to request the Director of Property to engage an independent fee appraiser to work with the Director of Property to appraise the fair market value and fair rental value of the 17.35 acres of land leased to the Olympic Club, for the purpose of negotiating rental for the succeeding 10 year period of August 26, 1979 thru August 25, 1989, in accordance with provision of lease to Olympic Club.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Pilcher, seconded by McCrea, the
following resolution was adopted:

78-0478 M

Approving the extension of Title II Project
E, Routine Maintenance of the diesel fleet
from 1/1/79 through 6/30/79; and informing
the Mayor's Office of this approval.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea
Sanger

On motion of Pilcher, seconded by Flynn, the
following resolution was adopted:

78-0479 M

Authorizing Muni to proceed with the paper
work preparatory to employment of the re-
mainder of the budgeted Muni Metro personnel,
and retaining authority to employ the remainder
of the budgeted Muni Metro personnel.

Vote: Ayes-Henning, Pilcher, Flynn, Sanger
No-McCrea

On motion of Flynn, seconded by Pilcher, the
following resolution was adopted:

78-0480 M

Approving Contract Change Agreement No. 20
in the corrected debit amount of \$2,573.08,
to provide for changes in the work, under
SFMRIC Contract No. MR-617, Motor Coach
Storage and Maintenance Facilities-Phase II,
and requesting the San Francisco Municipal
Railway Improvement Corporation to approve and
execute Contract Change Agreement No. 20.
(Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of McCrea, seconded by Flynn, the
following resolution was adopted:

78-0481 M

Authorizing bid call for Contract No. 646-
Market Street Subway Platform Extension-
award subject to the concurrence of UMTA. .
Estimated Cost: \$71,000. (Transit Improve-
ment Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of McCrea, seconded by Pilcher, the
following resolution was adopted:

78-0482 M

Awarding Contract No. MR-716R in the lump
sum of \$20,203 (Base Bid) and
\$8,249 (Alternate "A") to Kingshill & Son,
Inc., and Sutter California Corp., a Joint
Venture, of San Francisco, for Turk Street
Office Building, Alterations to Offices.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea,
Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0483 M

Approving the action by the Public Utilities Commission staff to prepare a request to UMTA for a grant of \$750,000 to finance the retrofiting of fifty (50) Flyer trolley coaches with wheelchair lifts in the front door.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0484 M

Approving Modification No. 2 in the maximum amount of \$10,000 to the UTDC Agreement to include the provision of services of the Contractor's resident manager to assist the Municipal Railway in its implementation efforts; authorizing the General Manager of Public Utilities to execute said Modification to the Agreement with UTDC; and authorizing the Project Director to take such actions as necessary to carry out the terms of this Modification.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

78-0485 GO

Approving the request of the Director of Purchasing and Services to reject all bids and rebid the contract for diesel fuel oil for use principally by the Municipal Railway.

Vote: Ayes-Henning, Pilcher, Sanger
Excused Flynn and McCrea

On motion of Sanger, seconded by Pilcher, the following resolution was adopted:

78-0486 M

Urging the Police Commission to include funding for continuation of Municipal Railway security functions that have been vital to increased security on the Municipal Railway.

Vote: Ayes-Henning, Pilcher, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz

Mr. Wentz submitted a calendar item dealing with the Chin and Mensolt analysis of the cable car barn which is to be presented at the PUC meeting of December 12, 1978.

President Henning directed that a status report by the Task Force on the Northern Waterfront Study be scheduled for the PUC meeting of December 12, 1978.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

President Henning requested staff to draw up appropriate resolutions respecting the memories of Mayor George R. Moscone and Supervisor Harvey Milk.

Commissioner Peter McCrea requested that an item concerning security of buses, particularly at Kirkland Yard, be calendared soon; and President Henning directed that it be calendared for the meeting of December 12, 1978.

Commissioner McCrea stated that as soon as Mr. Farrell Schell, LRV Program Director, gets the schedule for the new LRV program updated, this should be discussed.

Mr. Wentz stated that January 15, 1979, is the date anticipated for having the schedule ready.

President Henning commented that a special public hearing should be scheduled.

Resolution No. 78-0475--Denying claim filed October 12, 1978, by John Raffo, individually and DBA Green Giant Garden and Home Supply, Inc., against the CCSF; and if claim is withdrawn by claimant, authorizing the Acting General Manager and Chief Engineer of the Water Department to negotiate a revocable permit with lessee and/or claimant for interim occupancy of 1.95 acres of land in Millbrae.

Mr. Morris M. Dow, Utilities General Counsel, advised that on November 30, 1978, the 45-day period expired, under which the claim is being denied. On December 1, 1978, a letter was written to Mr. John Raffo. This starts the statute of limitations of 6 months.

Commissioner McCrea asked what staff proposes to negotiate with the claimant.

Mr. Eugene J. Kelleher, Acting General Manager, Water Department, said he explained to Mr. Welch that the Water Department would accept a revocable permit. Mr. Welch is not receptive to any increase in rental. Mr. Kelleher recommended continuing with a revocable permit at \$600 monthly rental until the Department can get a new tenant. A call for bids would be issued, but it is assumed it will be at least a year before someone will take possession of the property.

Commissioner Sanger asked if it makes sense to have the plaintiff evicted.

Mr. Kelleher stated that the City Attorney has advised the Department not to deal with Mr. Raffo.

Responding to a question from Commissioner Sanger, Mr. Kelleher said notice has been issued for Mr. Raffo to vacate the property. The Department is dealing with Welch and Bacon, who are interested in working with the Department and Mr. Raffo in trying to come up with a revocable permit for a year.

Mr. McMorris M. Dow stated he does not think the Department should allow Mr. Raffo to remain on the property. Mr. Dow explained that the Department could deal with Mr. Raffo on a revocable permit basis, but should not recognize him as the lessee.

Commissioner McCrea moved, as a matter of policy that the City Attorney and Mr. Kelleher negotiate an extension of the matter on a revocable permit basis.

Commissioner Flynn seconded the motion, which was unanimously adopted.

Resolution No. 78-0477--Authorizing the Acting General Manager and Chief Engineer of the Water Department to request the Director of Property to engage an independent fee appraiser to work with the Director of Property to appraise the fair market value and fair rental value of the 17.35 acres of land leased to the Olympic Club, for the purpose of negotiating rental for the succeeding 10-year period of 8/26/79 thru 8/25/89, in accordance with provision of lease to Olympic Club.

President Henning stated that none of the members of the Commission are members of the Olympic Club.

Commissioner Claire C. Pilcher asked who selects the appraiser.

Mr. Wentz replied that Mr. Wallace Wortman, Director of Property, uses different appraisers. The Water Department will pay the cost out of budgeted funds--probably \$3,000 or \$4,000. The appraisal will probably take 90 days.

Commissioner H. Welton Flynn stated that the appraiser should not be a member of the Olympic Club.

ITEM NO. 12--Waiving Section "B" Rule 1, of the "Rules and Regulations Governing Water Services to Customers" so as to permit the construction of a 6-inch water main and hydrant on a street which has not been brought to grade; and authorizing the Water Department to proceed with the installation of a 6-inch main and hydrant upon receipt of \$7,550 from Richard Alvarez.

Commissioner Pilcher noted that this matter was before another Board on which she served, and is a very controversial situation. She asked which neighborhood groups were notified.

Mr. Kelleher replied that the Mullen-Holladay Group and the San Francisco Fire Department and the Department of Public Works were notified.

Mr. Wentz explained that the issue was brought to staff's attention by the Mayor's Office, which had been meeting with property owners and the developer. He said a home partially burned down because of lack of a water main and hydrant. Construction of this main and hydrant will be advantageous to the City and the developer, and the City will not be obliged to spend extra money. It would be more costly to put in temporary facilities, and this appears to be a reasonable compromise which satisfies the Mayor's Office, the San Francisco Fire Department and the Water Department.

Responding to a question from Commissioner Pilcher, Mr. Wentz stated there may be some opposition by the neighborhood, although this is difficult to rationalize in that the job would bring proper Water pressure and adequate fire protection.

Commissioner Pilcher stated that new housing is being added, and fire trucks can barely make it up the street.

Mr. Wentz commented that the proposal would be an improvement to the area, and that it would be most desirable to have the street improved. He said the Department of Public Works has not been able to sign up property owners for an assessment district.

Commissioner Sanger asked if assessment proceedings have gone forward for new water lines and street improvement.

Mr. Wentz replied that the Water Department has assumed that assessment proceedings for the street will proceed. Plans are completed, and the Water Department can proceed and would construct a line to the grade to be established.

Mr. Kelleher explained that the Department would issue a contract and dig a trench to accommodate final cuts in the street. Services would be installed to four (4) new homes plus existing homes.

Commissioner Sanger asked if this has ever been done.

Mr. Kelleher replied, "rarely". He said he would not recommend it under most conditions, but would recommend it in this case because the official grade has been established, and the developer is willing to pay the cost. There is no commitment to place the street up to grade.

Mr. Daniel Y. Hom of the Department of Public Works, explained that his department is working on improvement of the street under assessment proceedings. Because of several problems the Department is unable to move at the moment, but could advertise in May, 1979, knowing there will be trouble with one property owner.

Commissioner Pilcher commented that in reality the street is not going to be improved for years.

Mr. Hom said that is up to one property owner.

Commissioner Pilcher stated the street is so narrow that fire engines can not get up the street.

Responding to a question from Commissioner Sanger, Mr. Hom stated that 2-1/2 years ago there was a request from over half of the owners. The Department was unable to get a waiver from one of the property owners and for that reason is unable to move. A new hearing is scheduled for January 6, 1979. If a majority of the owners do not agree at that time the DPW can not go ahead with the job under assessment.

Assistant Fire Chief Rose of the SFFD stated there is a discrepancy in the proposed resolution. He said he would also like to clarify a statement made earlier that fire trucks can not operate on the streets. He said that does not apply to that particular street. Installation of the main and hydrant would improve the existing fire protection situation. He said Chief Andrew Casper personally participated in discussions. He added that the Fire Department in the past has, itself, instituted legislation to control parking in that area.

Mr. Bob Baggett of the Mullen-Holladay Group on Bernal Heights said his group would need more than one week to notify everyone.

Mr. Richard Alvarez, the developer, stated that he has 9 building permits which have been appealed. He has gone to court on all the issues, and was upheld in all hearings, and on all issues being discussed. He said he has endeavored to work out a solution, and has permits that are valid under all of the conditions. He said he is providing safety for the neighborhood and has a street improvement plan to improve the street to grade.

President Henning directed that the item be continued to the PUC meeting of January 9, 1979, and that written notices be sent to neighborhood groups and all affected parties.

ITEM NO. 13--Presentation by staff members of the San Francisco Bay Area Transportation Terminal Authority and the joint venture of PBQ&D/Skidmore, Owings and Merrill of alternative methods for developing the Regional Transportation Terminal to better serve the needs of the Bay Area and the CCSF.

Mr. Wentz introduced Mr. Gary Cherrier, representing the San Francisco Bay Area Transportation Terminal Authority.

Mr. Cherrier explained that the Authority was engaged by the State Legislature in 1974 to develop a new regional terminal in San Francisco. He said the agency is made up of eight (8) members, one of whom is appointed by the Governor, and seven (7) from public agencies. At this time the Authority has retained the joint venture of PBQ&D/Skidmore, Owings and Merrill to analyze all alternatives.

Mr. Cherrier introduced Mr. James White, who gave a slide presentation of alternatives. Mr. White also called attention to a model on display. He said a series of alternatives have been developed. There are many issues, and one deals with where the Municipal Railway will be in the new terminal. This is being discussed with Muni staff at present, and additional meetings are scheduled. The Transbay Terminal was built as a part of the San Francisco Oakland Bay Bridge which opened in 1939. At that time the upper level carried cars, and the lower level carried trucks and passenger trains. In 1941 the Key System became the primary carrier. In the 1950's auto use increased and the lower level was converted to auto traffic. AC Transit replaced the Key System. By 1973 AC Transit was carrying 24,000 persons daily. With the inauguration of BART it was thought that fewer persons would commute by bus. However, patronage dropped by only 1/3 and AC Transit loads are growing again. AC Transit carried 19,000 persons daily in 1978. Marin and Peninsula transit patronage is projected to grow. Golden Gate Transit picks up 2400 persons each day from San Francisco, and 25,000 persons travel between San Francisco and the peninsula each day. Southern Pacific, BART and SamTrans will carry a large percentage of new travelers. The projected increase for 1995 is large, and will require almost twice as much space as presently available. Greyhound has inadequate terminal facilities at 7th and Mission Streets, and Continental Trailways is adjacent to the Transbay Terminal.

Mr. White explained that a major improvement would be to develop a terminal where a passenger could transfer among the various systems. The Transbay Terminal site could provide regional transit facilities, and Muni could provide inter-City services. The Airporter would provide shuttle service to the Airport, and Amtrack bus shuttle would connect with Oakland. Questions are

how can they be accommodated, what would it cost, and who would pay? The San Francisco Bay Area Transportation Terminal Authority is to provide the answer. A consultant team has been engaged to design a new terminal. The existing Transbay Terminal is one of the most efficient. However, there are major problems in quality of space at the street and concourse levels, and quantity of space needed.

Alternative No. 1 is to enlarge the existing building and modernize spaces. This would probably be sufficient to the mid-1980's.

Alternative No. 2 would expand the site and facility to the South, and there would be a rear building addition, with on-street facilities for handicapped persons.

Alternative No. 3 would expand the station lineally. It would be 1200 feet long as compared to alternative No. 2 which is 800 feet long. Portions of the existing building would be used and expanded, and moving sidewalks would be provided for more distant boardings.

Alternative No. 4 would demolish the existing structure, and a new structure would be built with a Muni interchange beneath the concourse. Cost in current dollars would be as follows:

- Alternative No. 1--\$6 to \$7-1/2 million
- Alternative No. 2--\$53 to \$60 million
- Alternative No. 3--\$47 to \$54 million
- Alternative No. 4--\$77 to \$83 million

Mr. White commented that buses from the Bay Bridge enter the terminal from bus lanes from the bridge, but for peninsula buses there is a gap. An elevated bus lane would involve some land acquisition and would cost about \$14.5 million in 1978 dollars. An elevated bus level would involve a larger land acquisition, and would be expensive. In surface street usage an exclusive bus ramp would be built at 3rd Street with no land acquisition necessary. Another plan would be to use available freeway access. The consultant team recommends this last plan. The terminal may include income producing uses, Mr. White stated, such as a retail center or several office building configurations. Retail use would add somewhat less income.

Mr. White stated that as long as it is possible to develop the existing structure the study team feels alternative No. 2 is the most desirable.

Each of the transit operators requires local subsidies, Mr. White commented, but considerable revenue could be generated by the terminal from concessions, office space, and rents from private transit operators. However, these are not sufficient, and Federal funding can not be guaranteed at this time. During the next few months the Authority will seek a clear decision.

Commissioner Sanger asked why the study team recommends relocating Muni access.

Mr. White explained that Muni now operates in front of the building. Consultant has been required to look at an income producing office building, and the site that would be available is not sufficient to accommodate the joint use. In alternative No. 2 Muni would come up First Street to discharge passengers, and would proceed behind the building. There would be six (6) loading zones and space to allow a large lay over. Alternative No. 2 has greater flexibility, and there is also a safety concern.

Mr. Wentz commented that Muni owes the Commission a staff report.

President Henning directed that the staff report be calendared for the PUC meeting of January 9, 1979 or as soon as Muni is ready.

Mr. Cherrier explained that there are a number of options for the terminal and joint use of the site, and it is hoped to obtain input to guide the Authority. There is time for input until March, 1979.

President Henning stated there will be a staff response to the presentation.

ITEM NO. 14--Authorizing bid call for Contract No. MR-654--1 Line, Duboce Avenue-Church Street to Hoe Street, Track Reconstruction, Sidewalk narrowing and Sewer Enlargement.

Commissioner Sanger said he has serious questions and objections.

President Henning directed that this item be put over to the meeting of December 12, 1978.

Resolution No. 78-0478--Approving the extension of Title II Project E, Routine Maintenance of the diesel fleet from 1/1/79 thru 6/30/79, and informing the Mayor's Office of this approval.

Commissioner Pilcher asked what happens starting in January.

Mr. Green replied that Muni has provided in the budget for positions to pick up these Title II funds.

Commissioner McCrea asked if Muni is cancelling certain Title II projects and reallocating funds.

Mr. Green replied that projects are not being cancelled, and Commissioner McCrea said he was satisfied, if Muni is not taking money away from any Title II project.

Resolution No. 78-0479--Authorizing Muni to proceed with paper work preparatory to employment of the remainder of the budgeted Muni Metro personnel.

Commissioner Sanger commented that he thought the Commission had already acted to hire all employees.

Mr. Green explained that the Commission had directed that no employees be hired without coming back to the Commission. As of November 1, 1978, some approvals were given, but Muni has only been able to fill 20 of the 48 positions approved. More lead time is needed. Mr. Green stated that Muni is requesting to be allowed to begin the paper work.

Commissioner McCrea stated that many of the positions being requested will be unnecessary if Muni contracts with BART to provide some services. He said Muni is dragging its feet in looking for private contractors or negotiating with BART.

Mr. Green commented that Muni is in a bind with constraints in the hiring process. He stated that staff will make recommendations regarding the Muni/BART agreement. He added that the position requested are federally funded, and must be permanent positions in the budget for 1979-1980.

Commissioner Sanger asked if the grant would cover only two months.

Mr. Wentz explained that Muni will hopefully, carry most of the grant money forward. He said clearance is needed as soon as possible because of lead time.

Mr. Schell stated that it is vital to move ahead with hirings. If Muni does not proceed with hirings, the program will be delayed. He said the actual hiring process is under control and will be controlled, and if any employee is not needed, he will not be hired.

Mr. Green stated he will come back to the Commission at actual hiring time.

Commissioner McCrea said he would like to see the list split into three sections--those people who would work for Muni, and those who might be subject to a joint agreement with BART, and those subject to a private contract.

Mr. Wentz commented that staff has explored the Muni/BART approach, but has not explored the private contract approach.

President Henning asked about the time table for exploring the private contract approach.

Mr. Green replied it would take at least a month or six weeks.

Mr. Wentz stated that staff will break the employments apart, and will have the BART/Muni approach in front of the Commission at the meeting of December 12, 1978.

Commissioner Sanger commented that it will be necessary to proceed to put out bids.

Commissioner Flynn stated Muni is "in a bind on the LRV program". He suggested that the "burden be placed on the staff". He complimented Mr. Schell on his candid reports, and for calling "a spade a spade".

Commissioner Pilcher moved that sanction be given to go ahead with the paper work, and that there be no hiring of employees without coming back to the Commission. Commissioner Flynn seconded the motion, which was adopted. Commissioner McCrea voted "no".

Commissioner McCrea requested a schedule for contracting out and for going out for bids.

Mr. Wentz said staff will bring this schedule to the Commission meeting of December 12, 1978.

ITEM NO. 21--Authorizing the Municipal Railway to dispose of eleven (11) PCC cars purchased from the Toronto Transit Commission as soon as possible and to the best advantage of the Municipal Railway.

Mr. Maurice Klebolt, President, CAPTrans, urged that it be a policy of Muni to store equipment "before it goes to Mexico".

He said he does not want to see a middleman come in with a middleman profit. This is valuable equipment and it can be stored in Southern Pacific shops.

Commissioner Sanger said he is unwilling to see these cars disposed of until there is an improvement in the situation with the streetcar equipment available.

Mr. George Duarte, Deputy General Manager, Engineering and Maintenance, stated that space is needed to store the LRVs. Also, there is a problem in obtaining electric transit mechanics.

Commissioner Flynn asked about the delivery schedule from Boeing Vertol.

Mr. Duarte replied that Muni has five LRVs right now.

Commissioner McCrea asked if the PCC cars could be stored off the property. He asked that the item be put over until a report is available on the possibility of storage.

Mr. Merrill R. Cohn, Transit Equipment Engineer, stated there is no storage space in San Francisco, and there is also a problem of moving the cars. It takes a long time to process a bid and have a contractor move them. He said there are no parts available for these cars.

Mr. Sam Walker of the TWU, stated that a major problem exists with the braking system, and the union does not want to see them on the road.

Mr. Norman Rolfe of San Francisco Tomorrow urged that Muni hold on to the cars, as there are not enough cars to maintain service as it is, and there is a lack of servicemen. He said if worse came to worst they could be cannibalized to keep other cars running.

Mr. Klebolt suggested that when the LRVs are delivered a PCC car could be loaded on the same rig. Regarding the brakes, he stated the problem is that these PCC cars have a unique feature which prevents the cars from operating while the doors are opening.

President Henning directed that this item be put over until after the storage problem is investigated.

Commissioner McCrea stated that if employees can not be hired work should be contracted out privately.

Resolution No. 73-0485--Approving the request of the Purchaser of Supplies to reject all bids and rebid the contract for diesel fuel oil for use principally by the Municipal Railway.

On advice of the City Attorney, Commissioner McCrea requested that he be excused from voting.

Commissioner Sanger so moved, Commissioner Flynn seconded, and the motion was passed unanimously.

Commissioner Flynn stated that he did not recall at any time in his nine years on the Commission a matter coming before the Commission when it is the exclusive right of the Purchaser to reject all bids and rebid the contract.

Mr. McMorris M. Dow, advised that the Charter states the Purchaser with the approval of the Commission may reject all bids and readvertise. There are still two (2) qualified bids left. Commission approval is needed to reject these bids.

Commissioner Flynn commented that the Commission has historically passed the budget to buy fuel, and the Purchaser has used his own expertise to buy fuel.

President Henning stated that Commissioner Flynn is concerned as to why this matter is before the Commission.

Mr. Wentz explained that the Charter is oddly drawn in that the Purchaser does not need Commission approval to make an award, but needs approval to reject bids.

Commissioner Flynn requested to be excused from voting.

Commissioner Sanger so moved, and Commissioner McCrea seconded the motion which was unanimously passed.

Commissioner McCrea stated he was appalled to read in the Examiner that the Purchaser does not go out for competitive bids.

Commissioner Pilcher noted that the only reason the low bid was not acceptable was because of lack of 14 days' notice. She asked if the contract would be given to that particular firm if it comes forth with the same bid with 14 days' notice.

Mr. Dow said the bid would be responsive.

Commissioner Sanger moved and Commissioner Pilcher seconded to reject all bids for diesel fuel. Commissioners Henning, Pilcher and Sanger voting "aye"; Commissioners Flynn and McCrea were excused.

President Henning called a 5-minute recess at 4:22 p.m.

At 4:33 p.m. the meeting was reconvened.

ITEM NO. 24--PUBLIC HEARING: Budget Proposals for the fiscal year 1979-1980 of all Departments under the jurisdiction of the PUC.

Hetch Hetchy Project
Bureau of Light, Heat & Power
Water Department
Computer Center
Municipal Railway
General Office, PUC

President Henning stated that the Municipal Railway budget would be taken out of order.

Municipal Railway

Mr. Curtis E. Green, General Manager, Municipal Railway, explained that, given the constraints of Proposition 13, the level of ad valorem support will be reduced. The Mayor has instructed Muni and other departments to prepare a base budget approximately 17 percent lower than the one passed for the current fiscal year. There are three potential add-ons, which could bring the budget to 95 percent of the current level. Any one of the alternatives requires Muni to effect reductions in service. Mr. Green then read his letter of introduction to the Municipal Railway budget.

Mr. Green referred to a set of charts indicating services to be cut at the 83 percent, 88 percent, 92 percent and 95 percent levels of funding.

Commissioner Pilcher objected that staff is back to speculating what the budget is going to be without public hearings or public input, as was done before passage of Proposition 13. She added she was distressed that specific lines are being discussed. The Commission has been waiting since August for the POM hearings to begin.

Commissioner McCrea stated the Mayor's Office did ask for a detailed analysis as to levels of service to be provided at various levels of increments.

Commissioner Sanger referred to a table on page 109 with column totals.

Mr. Wentz explained that staff has been asked this year to work closely with the Mayor's Office in preparation even before submittal to the Mayor's Office. He said staff has a schedule which does not preclude holding any meetings the Commission may desire.

Commissioner Pilcher said a clear statement should be placed at the top of page 110 that the following examples are for the purpose of demonstration only. These examples have not been endorsed by the Commission, and hearings will have to be held.

Commissioner McCrea said the Commission understands it is unlikely that CETA funds will be extended next year, and there is no provision for continuation of the Transit Police in the proposed budget nor in the Police Department budget.

Mr. Green said there will be a meeting with the Police Department and the Mayor's Office December 13, 1978, in Mr. Wentz's office. If the monies to support this program become an operating expense for Muni, it will place Muni in jeopardy of the right to receive State funds.

Mr. Wentz commented that it will make no difference to the Mayor's Office as to which Department provides the funding as it will be an ad valorem expense. However, the program is a police function and is currently administered by the Police Department, using CETA employees in the Police Department.

Commissioner Sanger moved that the PUC urge the Police Commission to include funding for continuation of Municipal Railway security functions that have been vital to increased security on the Municipal Railway. Commissioner Pilcher seconded the motion, which was unanimously adopted.

Commissioner Flynn asked the cost of restoring ten runs.

Mr. Green replied that he does not have a figure, but this could be obtained.

Mr. Flynn stated he would like to know the total cost of restoration of ten runs.

Commissioner Sanger commented that 14 operators positions would be needed for seven days a week. He said it would be better to have 14 runs five days a week.

Mr. Rod Bartholomew, Deputy General Manager, Operations, said Muni is considering making those ten runs on lines linking with BART, which now runs on weekends.

Commissioner Sanger asked about priorities, such as restoration of former service.

Mr. Bartholomew stated that Muni has been under pressure from the community to provide service to BART on Saturdays and Sundays, and to provide service to Pier 39 on weekends. A portion will be for restoring runs, and the balance would be for service to BART.

Commissioner Sanger questioned the necessity of 13 positions to fill runs while operators are in training classes.

Mr. Green stated that Muni will make a tremendous effort to do more training, and it is proposed to do this on an on-going basis.

Commissioner Sanger noted that on page 8, one of the largest increases requested is for overtime, holiday pay, and temporary salaries. He said he can not understand justification given for a tripling over actual expenditures this fiscal year.

Mr. Green stated that this is actual experience. It is necessary to come back to the Commission with supplemental appropriations.

Commissioner Sanger noted that \$716,000 is actual experience.

Commissioner Flynn stated that a large item would be salaries for crafts, and Mr. Green added that an add-on would be LRV expense which is not in the present year's budget.

Commissioner Sanger commented that when he sees actual experience of only \$716,000 he has doubts that Muni will be able to spend what it is asking for, which is three times that amount.

Mr. George Duarte, said there is an added \$1 million under temporary salaries for crafts. What is new is that UTDC has given Muni the formulas to apply for permanent and temporary positions needed to put maintenance back "on its feet". UTDC felt Muni should hire temporary employees and then get them off the payroll.

Commissioner Sanger asked if any of these positions will be filled by supplemental appropriations.

Mr. Wentz replied affirmatively, and stated that at some point staff will come to the Commission to begin the UTDC program this fiscal year. It would simply be carried on in the budget. He said reference to this is on page 23, reference "A. A notation could be added that temporary staff recommended by UTDC will be in place 2 to 2-1/2 years, at which time the fleet is expected to be up to a level of maintenance where they can be terminated.

Commissioner Sanger questioned the need for two mechanics to maintain 75 wheelchair lifts, and Mr. Duarte said this is the total of 25 buses on order and 50 trolley coaches which will have lifts.

Commissioner McCrea asked about Title II funds, stating that Title II ends December 31, 1978.

Mr. Green replied that as of December 31, 1978, Muni will have underspent the program by \$56,000.

Commissioner McCrea said he was under the impression that it was a block grant, and Mr. Duarte replied that it had a time limit.

Commissioner Sanger requested a change in the explanation for temporary salaries, crafts. He referred to page 12, reference 1-2--Overtime Crafts. He said Muni is making a request for diesel mechanic's overtime at the same time there is a request for a change in the bargaining agreement for Sundays.

Mr. Green stated that staff does not know how the bargaining session is going to turn out.

Mr. Duarte stated that Muni has been unable to get overtime changed for the diesel mechanics in the past.

Commissioner Pilcher asked why Muni rents tires.

Mr. Duarte replied that it is cheaper, explaining that all transit companies in the area rent tires.

Commissioner Sanger stated that he is opposed to the inclusion of mechanics for lift maintenance. He referred to page 23, and asked who establishes the salary levels for Class 9150--Transit Control Dispatchers, and why they are paid so much.

Mr. Green replied that the Civil Service Commission, after a survey, makes a recommendation to the Board of Supervisors.

Mr. Bartholomew added that these are supervisory personnel, and Commissioner Flynn commented that salary standardization sets the salaries.

Commissioner McCrea referred to page 27--Request for one 1342 Management Assistant. He said that under a Proposition 13 budget, he can not support this request, and asked if it is possible to strike this position.

Mr. Green explained that a CETA employee is performing the duties at present, and the position will be phased out. Muni is trying to maintain the employee and the services that are being performed.

Responding to a question from Commissioner Pilcher, Mr. John L. Beckham, Senior Departmental Personnel Officer, stated that staff thinks the position is essential. A new position is not being added.

President Henning directed that an explanation be included for the position.

Commissioner Sanger referred to page 15, reference 1-7--One A01 Metro Operations Manager.

Mr. Green explained that at present there is a superintendent of the Geneva Division. He said the Metro Operations Manager will have additional responsibilities and will be in charge of LRV operations, handling of the stations, station agents, and will have complete control of the operation.

Commissioner McCrea asked if a Division Superintendent will be eliminated at the same time.

Mr. Farrel Schell explained that there will be a few months of overlap. The person running the Geneva Division will assume responsibility for some of the other operations.

Commissioner McCrea noted there is a long term objective to eliminate the position of Division Superintendent at Geneva.

Mr. Green said this will be made clear in the budget documents.

President Henning opened the meeting to comments from the public on the Municipal Railway budget. He read the names of persons who had signed up to speak.

Victoria Robinson--not present.

Mr. Sam Walker, Transport Workers Union--Mr. Walker stated there is a serious health problem due to lack of rest rooms, and stated he hoped this item will be kept in the Muni budget, as it was taken out last year. He said the 27 new operators will help morale.

Mr. McDonough--not present.

Mr. Norman Rolfe--Mr. Rolfe read a letter from the Cable Car Advisory Committee dated December 5, 1978, which is made a part of these minutes and attached hereto. Speaking for San Francisco Tomorrow, he said it appears that Muni is "greasing the way" for a fare increase. Commenting that Gruen and Gruen will be holding a hearing, he urged Commission and staff to give serious thought as to how to pursue other revenue sources. He stated that no Proposition 5 money is shown in the budget.

Mr. Green stated that Proposition 5 funds are capital funds.

Regarding the problem of not being able to obtain enough transit mechanics, Mr. Rolfe commented that staff should consult with Civil Service to find out how wage scales are arrived at.

Mr. John Elberling of CAPTrans, stated that this is his 6th year to talk about the Muni budget. He said he supports full service and no fare increase, and noted that there are two omissions. One is on the income side of the budget. Federal law has been changed to provide operating funds, and there is no indication of that.

Mr. Wentz explained that rules have not yet emanated from Washington. The second omission, Mr. Elberling said, is on page 100 under additions and betterments. He stated there is no breakdown of the \$4.4 million, and that this happens every year. A number this large should have a breakdown. He said it is not all going to SFMRIC. Mr. Elberling stated that page 127 shows a record of failure regarding hours of service. He asked how long this record of failure is going to be tolerated before there is some "major shuffling in management". If it turns out that a fare increase is necessary to run the subway, Mr. Elberling stated it might be better to have no subway running, or to transfer the entire rail system to BART which is "awash in funds".

Dr. John H. Christensen, Assistant General Manager, Finance, stated that the \$4.4 million under additions and betterments on page 100 is the sum of lease payments due to SFMRIC during this fiscal year. These are the leases which have been signed between SFMRIC and the City. The work is being carried out by the Transit Improvement Program. The City has an obligation for the payment of certain monies to the Corporation. The funds which are generated from the sale of bonds and the receipt of federal funds are paying for all of the things being done under the Transit Improvement Program.

Responding to a question from Commissioner Sanger, Dr. Christensen said the figure could be broken down into TIP, SIP and TEP.

Commissioner Sanger requested that this be done.

Mr. Paul Muniz of the San Francisco Municipal Railway Coalition asked what sort of reorganizations are taking place. If people are going to be asked to pay more, they need to be shown that staff is taking a hard look at themselves and operations to make things more efficient than they have been. He questioned an employment of one 9160--Assistant Transit Dispatcher "to deal more effectively with the increasing complexities associated with cable car operations", and asked what is more complex. He referred to the third paragraph regarding visiting dignitaries. He wondered if staff is talking about cutting services or speaking of raising fares. He asked if the "fat is really being cut".

Mr. Green stated that six projects are listed dealing with the problem of effectiveness. Regarding the Assistant Transit Dispatcher in the Cable Car Division, he explained that much more information is demanded, and there are extra duties imposed. He said the position is promotional from bus driver.

President Henning stated that it is the wish of the Commission to strike that position.

President Henning requested Mr. Green to make comments at the meeting of December 12, 1973 concerning efforts made to re-examine overhead.

Commissioner Flynn commented that 85 percent of the budget is something staff can not do anything about. He asked that staff address itself to items where decisions can be made and not talk about the budget in its entirety.

Mr. Green stated that the bulk of the new requests are between maintenance and the LRVs.

Mr. Sam Walker explained that the Assistant Transit Dispatcher is the dispatcher in the evening, and is the supervisor around the clock. It is the first step up from bus driver.

Mr. Jeff Sutter said that it seems that the riders are being held hostage.

Commissioner McCrea asked what he would suggest.

Mr. Sutter said the budget is another presentation of a fare increase or a service cutback choice, and he would like to see the Muni try harder to obtain other funding. He added, that half of the increase seems to be contained in LRV operations.

Commissioner McCrea asked Mr. Sutter if he were recommending that Muni not institute LRV operations.

Mr. Sutter replied that he would rather see that than a fare increase, or would prefer that the LRV operations be given to BART as suggested by Mr. Elberling.

Mr. Green commented that LRV costs and PCC costs have been isolated.

Mr. Wentz added that the budget year being considered would be the highest year of expenditure for electric rail service because the two modes will be overlapping.

Commissioner Sanger asked about UMTA support, and Mr. Wentz replied that this budget does not reflect that. He stated that when the LRV program goes into effect there will be no reduction in operators as they will move over to the LRVs, as will maintenance personnel.

\$6.8 million is the extra cost of operating the LRV program in addition to operating the PCCs for the year 1979-80.

Mr. Sutter suggested looking at automobiles as a revenue source through parking taxes, etc. In Boston motorists now get auto insurance discounts if they commute, and that has encouraged ridership.

Mr. Wade Fong--not present.

Mr. Maurice Klebolt objected to the "blackmail that has hung over the heads of riders". He said he would like to see plans 1, 2 and 3 struck from the budget, and charged staff to come forth with figures that substantiate what service should exist. He stated that a Court decision was handed down by Judge Kennedy that reduction in service should be applied systemwide.

Commissioner Pilcher asked if it would be possible to put in a fourth alternative--the cutting of service on every line.

Mr. Green replied that that statement could be made.

Commissioner Sanger commented that A-3 shows 95 streetcars scheduled at the P.M. peak, while on every one of the equipment availability reports for the past two months the daily demand has been shown as 91, and missed runs based on that figure.

Mr. Green explained that the H Line is presently out because of track reconstruction, and is running diesels.

Hetch Hetchy

Commissioner Sanger referred to page 13--Dam Analysis Service, and asked why this is not being done in-house.

Mr. Oral L. Moore, General Manager, Hetch Hetchy Water & Power, explained that Hetch Hetchy does not have the staff available nor the qualifications. He said Priest Dam was constructed by hydraulic fill, and many dams so constructed have been suspect. The State requires that analysis be done by experts in the field.

Commissioner Sanger asked about the \$2 million for planned trolley overhead replacement, and if Hetch Hetchy is going to be able to accomplish that much in the budget year.

Mr. Moore replied that hopefully Hetch Hetchy will have an opportunity to get that much committed. Funding is required before contracts can be let.

Commissioner Flynn asked if San Joaquin Pipeline No. 3 repairs were deleted from the previous budget.

Mr. Wentz replied affirmatively, and stated that more leaks have been discovered. Mr. Moore added that Hetch Hetchy is paying the penalty for having to defer maintenance.

Bureau of Light, Heat and Power

There were no questions.

Water Department

Mr. Kelleher stated that the Water Department is not asking for any new positions. He stated there is a breakdown of various rate increases to provide funding. He said there is a

\$5,490,000 increase in the proposed budget over the existing one. Items that must be funded are power costs, purchase of water from Hetch Hetchy, materials and supplies, debt service to float bonds. This represents a 10 percent rate increase. There is no increase in salaries, fringe benefits or cost of other fixed charges.

President Henning commented that during the "last go round" with Proposition 13, membership dues were deleted. Future AWWA conventions would mean money for the City.

Mr. Kelleher said the dollar amount is in the budget, but not the explanation.

President Henning directed that an explanation about future conventions be included.

Commissioner McCrea stated that the Water Department must not keep deferring investment in the physical plant.

Mr. Kelleher said there is an explanation.

Mr. Wentz stated that the cost of plant maintenance today compared with five years hence with the escalation in costs could be brought out.

Commissioner McCrea said this should be addressed, as every year maintenance money is "hacked down to the bone".

Commissioner Sanger asked about current water rates.

Mr. Kelleher explained that the system has been changed to a single rate formula. Several years ago the rate was 32.5 cents per unit, and it is now 37 cents. However, people are using 20 percent less water, so there is a decrease in revenues.

Computer Center

Commissioner McCrea stated that Mr. Duarte's weekly report had a comment regarding the TIMS inventory module.

Mr. Dean Collins, Director, Public Utilities Computer Center, stated that the Computer Center is not fully funded for that package.

Dr. Christensen added that the inventory program and the module are not scheduled as soon as they are being introduced. The inventory module was the next to the last one to be undertaken, and additional funds have not yet been received.

Mr. Collins commented that Mr. Duarte wants the TIMS inventory module, but the Computer Center has an inventory system running now. When funding is obtained that system will be improved.

Mr. Collins said the Computer Center has one less position.

General Office

Mr. Wentz stated that employee deletions are reflected. One of the positions deleted was carried in the Water Department. A new automobile has been taken out. The General Office budget has an item for two Commissioners to travel to the APTA conference.

Commissioner McCrea asked about the two Chief Accountant positions.

Dr. Christensen explained that one of these positions was eliminated last year, and the other one is eliminated in the proposed budget.

THEREUPON THE MEETING ADJOURNED: 6:40 p.m.

Romaine A. Smith
SECRETARY

2

2/78

M I N U T E S

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Dianne Feinstein
Mayor

Room 282, City Hall

2:08 P.M.

December 12, 1973

JAN 22 1979

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COMMISSIONERS

John F. Henning, Jr., President
Claire C. Pilcher, Vice President
H. Velton Flynn
Peter McCrea
John M. Sanger

DEPARTMENTS

Municipal Railway
Hetch Hetchy Project
Water Department

BUREAUS

Accounts
Public Service
Personnel & Training
Safety
PUC Computer Center

John B. Wentz

GENERAL MANAGER OF PUBLIC UTILITIES

Romaine A. Smith

SECRETARY

Call To Order: 2:08 P.M.

Present: President John F. Henning, Jr., Vice President Claire C. Pilcher, Commissioners H. Welton Flynn, Peter McCrea, John M. Sanger

Discussion preceding adoption of resolutions is attached.

RESOLUTION
NO.

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0489 HH Authorizing bid call for HH Contract No. 592-Sutter, Divisadero, Turk, McAllister, Fillmore and Gough Streets, Overhead Feeder Cable Removal and Related Work. Estimated Net Cost: \$9,150. (Power Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0490 HH Authorizing bid call for HH Contract No. 591R-Cherry Road Slide Repair. Estimated Cost: \$69,675

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0491 W Authorizing bid call for WD Contract No. 1754-Installation of 6-Inch, 8-Inch and 12-Inch Ductile Iron Main in Homewood Place. Estimated Net Cost: \$100,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0492 W Awarding WD Contract No. 1743R-Cement Mortar Line 36-Inch, 44-Inch and 48-Inch Pipe in Potrero, Bayshore and Other Streets- to Ameron, Inc., Wilmington, California, in the net amount of \$269,328.70.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0493 W Awarding WD Contract No. 1746R-CDD Control Room, Lake Merced Pump Station to W.R. Thomason, Inc., Martinez, California, in the amount of \$19,300.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

73-0494 M

Accepting as satisfactorily completed work under UD Contract No. 1739, Building Repairs-Central Pumping Station-San Francisco; approving debit modification of \$1,604.40; and authorizing final payment of \$3,918.23 to Leon Carlen, Contractor.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

73-0495 M

Approving collection of Water Department claims for damages against miscellaneous debtors, amount \$1,964.42, month of November, 1978.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

73-0496 M

Authorizing bid call for Contract No. MR-662 Lighting System for Twin Peaks Tunnel. Estimated Cost: \$244,000.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

73-0497 M

Awarding Contract No. MR-616R-Transit Sign Project (Phase I) to Kingshill and Sons, Inc., and Sutter California Corp., a Joint Venture San Francisco, California in the net amount of \$169,481. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

73-0498 M

Accepting as satisfactorily completed work under Contract No. MR-631, L-Taraval Line-Track Reconstruction and Sewer Enlargement, Taraval Street--15th Avenue to 36th Avenue; approving credit modification of \$23,221.31; and authorizing final payment of \$124,410.66 to O.C. Jones & Sons, Contractor. (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

- 78-0488 M Requesting the Controller to draw warrants in settlement of claims against the Municipal Railway, total amount \$8,035.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger
- On motion of Pilcher, seconded by Flynn, the following resolution was adopted:
- 78-0499 W Approving Water Service/Sewer Service Charge Lien Committee Rules and Regulations concerning hearing procedures.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger
- On motion of McCrea, seconded by Flynn, the following resolution was adopted:
- 78-0500 W Amending Resolution No. 77-0353 to authorize the General Manager of Public Utilities to appoint six (6) representatives of the Public Utilities Commission to serve on the Water Service/Sewer Service Charge Lien Committee, as authorized in the Rules and Regulations.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger
- On motion of McCrea, seconded by Flynn, the following resolution was adopted:
- 78-0501 W Awarding Professional Services Agreement for lock box services to the Crocker National Bank; requesting the Board of Supervisors to approve the determination that the service can be performed under private contract at a lower cost to the CCSF; and approving Water Department supplemental appropriation, amount \$24,620, and Data Processing Center supplemental appropriation, amount \$5,959, to fund the contract.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger
- On motion of McCrea, seconded by Pilcher, the following resolution was adopted:
- 78-0502 W Authorizing the City Attorney to settle for \$13,000 action brought in the CCSF (Superior Court No. 631-257) by Goodman Lumber Co., against the CCSF.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger
- On motion of Pilcher, seconded by Flynn, the following resolution was adopted:
- 78-0503 M Commending Municipal Railway Operator James C. Daniels for his exemplary service and his demonstrated concern for the citizens of San Francisco.
- Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0504 II

Requesting the Board of Supervisors to pass legislation for the permanent closing of Duboce Street between Market and Church Streets to westbound thru traffic onto the blocks of Duboce to the west of Church and providing for no left turns from Duboce into Church (going south) or otherwise providing for the permanent closure of Duboce to traffic moving westbound from Market to Church, continuing the situation which exists.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0505 M

Approving supplemental appropriation, amount \$37,200, to continue the employment of eleven (11) track maintenance workers until the end of the current fiscal year.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Sanger, the following resolution was adopted:

78-0506 II

Approving the extension of the Revised Disciplinary Procedure to February 1, 1979.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Pilcher, seconded by Flynn, the following resolution was adopted:

78-0507 E

Authorizing the General Manager of Public Utilities and the General Manager of the Municipal Railway to execute a Customs Form 5291 Power of Attorney appointing C.J. Swift & Company, Inc., DBA McClary, Swift & Co., Inc., its officers and authorized employees as attorney in fact for customs purposes for the Municipal Railway in the importation of trolley coach parts from Canada.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0508 M

Accepting the Preliminary report and approving the Preliminary Design for the Rehabilitation of the Cable Car Barn (Sector I). (Chin and Hensolt) (Transit Improvement Program)

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Sanger, the following resolution was adopted:

78-0509 II

Approving modification of the Joint Powers Agreement between the City & County of San Francisco and BART dated May 14, 1976, to enable BART to perform certain functions for the Municipal Railway related to subway operations and maintenance.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of Sanger, seconded by McCrea, the following resolution was adopted:

78-0512

Approving transfer of funds in the amount of \$67,000 to provide for settlement of the claim of I.W. Washington for retroactive wages and interest as per court order.

Vote: Ayes-Henning, Pilcher, McCrea, Sanger
no-Flynn

On motion of Flynn, seconded by Pilcher, the following resolution was adopted:

78-0510 GO

Approving PUC General Office supplemental appropriation, amount \$5,910.30; Water Department supplemental appropriation, amount \$2,955.15; and Hetch Hetchy Water & Power supplemental appropriation, amount \$2,955.15; for the payment of overtime compensation and related retirement contribution to Demosthenes Adams.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

On motion of McCrea, seconded by Pilcher, the following resolution was adopted:

78-0511 GO

Approving budgets for 1979-1980 for submission to the Mayor and Controller for the various operating units under the direction of the Public Utilities Commission.

Vote: Ayes-Henning, Pilcher, Flynn, McCrea, Sanger

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission

REPORT OF THE GENERAL MANAGER-Mr. John B. Wentz

Main Breaks

Mr. Eugene J. Kelleher, Acting General Manager, Water Department, stated that, cold weather has resulted in a rash of main breaks between December 3 and December 11, 1973.

Uniform for Muni Metro Station Agents

Mr. Curtis E. Green, General Manager, Municipal Railway, introduced Superintendent Ronald Gilmore, who modelled the new uniform for the station agents. He explained that Muni Metro will have 34 station agents and 4 supervisors. Cost per uniform is \$144.25, and it is intended to provide each agent with 2 uniforms.

Commissioner Pilcher commented that it does not look like a uniform, and asked if that would create a problem for the public.

Mr. Green replied that insignia will be placed on the lapel. He said there is wide acceptance of this uniform among employees, and there is a uniform for women.

California Cable Car Line

Mr. Green referred to an earlier report of a cable car accident at California and Kearny Streets. During that time there was a sewer main break in the same area. Cable car service was out for a week, but the line is now back in operation.

Monthly Report for October

Commissioner Claire C. Pilcher asked why there were so many more complaints.

Concerning road calls, Mr. Green stated that Muni has been making UTDC changes, which is causing an upheaval. He noted that Mr. Bartram of UTDC has said Muni would suffer a bit of a decline in the beginning.

Commissioner Pilcher noted that complaints for October were up 46.7 percent.

Mr. Green stated that Dr. William Henderson would be giving a report, and commented that from month to month there are fluctuations.

Commissioner McCrea commented that six months ago a program was approved to place operator numbers in each coach, and asked why this has not been implemented.

Mr. Rod Bartholomew, Acting General Manager, Operations & Administration, replied that the plastic holders are being installed now. The holders arrived two weeks ago, and it is expected that the operator numbers will be installed within a month.

POM Study and 5-Year Plan

Commissioner McCrea asked about an update on the POM study and the 5-year plan.

Mr. Wentz replied that staff will furnish the Commission with an up-to-date memorandum on scheduling the 5-year plan.

Parking Problem at Kirkland Yard

Commissioner Pilcher referred to a letter from the T-VU regarding parking at Kirkland Yard, and asked if someone is looking into the matter.

Responding to a question from Commissioner Sanger, Mr. Lawrence B. Martin, President, T-VU Local 250-A, stated that about 150 of 250 operators who work at Kirkland drive to work. There is no other way for early morning operators to get to work.

Commissioner Sanger said Muni could run a van service, and Mr. Martin replied that Muni would need operators for the van service.

Northern Waterfront Studies

Mr. Wentz reported that Mr. George Williams of the City Planning Department will make a presentation at the January 23rd PUC meeting on the status of the northern waterfront studies. He will be aided by staff of Department of Public Works and Municipal Railway.

Muni Metro

Mr. Wentz suggested that the Commission reserve January 30, 1979, for a special meeting to review the Muni Metro Status and Schedule.

Board of Supervisors

On December 11, 1978, the Board of Supervisors passed for second reading an amendment of the Salary Ordinance to reflect classification of four (4) federally funded positions for the MBE program.

UMTA

A letter has been received from Congressman John Burton's office that UMTA has approved a transit operating grant for the present fiscal year in the amount of \$7,565,000.

UTDC Implementation

The Mayor's Office has directed that two (2) supplemental appropriation requests be filed for UTDC implementation--one for this fiscal year, and one for 1979-80. These items will be calendared for the Commission meeting of January 9, 1979.

Boeing Vertol

Dr. John M. Christensen, Jr., Assistant General Manager, Finance, has been asked by MBTA to attend a meeting in Boston on December 18, 1978, to assist in discussions with Boeing Vertol relative to LRV modifications. Mr. Farrel Schell will also attend that meeting.

Cancellation of PUC Meeting of December 26, 1978

On motion of Commissioner Sanger, seconded by Commissioner Pilcher, the Commission unanimously voted to cancel the PUC meeting of December 26, 1978.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Streetcars on Dolores Street

Commissioner Pilcher asked about the concensus of opinion at public meetings of having streetcars on Dolores Street.

Mr. Rino Bei, Program Director, Transit Improvement Program (TIP), replied that three separate neighborhood meetings were held, and the consensus was that the people in this neighborhood do not want the streetcar line on Dolores Street.

Commissioner Pilcher asked about other alternatives.

Mr. Bei replied that San Jose Avenue is an alternative. He said, however, that City agencies are concerned because the traffic volume on San Jose Avenue is three times what it is on Dolores Street. A staff report will be presented to the Commission at the PUC meeting of January 23, 1979.

LRVs

Commissioner Sanger asked how many LRVs have been accepted to date.

Mr. Farrell J. Shell, LRV Program Director, replied that one car has been accepted, and four others are being tested. He said six (6) or eight (8) more cars will probably be accepted before January 30, 1979.

Mr. Wentz added that Muni is receiving two cars per week. He explained that 2 or 3 meetings ago the Commission accepted a very detailed procedure which provided that if the cars tested out satisfactorily staff would be empowered to accept them. If the cars do not meet specifications, staff is to come back to the Commission.

President Henning commented that the City Attorney has advised that if the cars meet the specifications the Commission does not have the option to turn them down.

Commissioner Sanger stated it is still a matter for negotiation as far as he is concerned. Given the amount of "wonderful" publicity, he said, staff should be as cautious as the Commission against leading the public to believe everything is going to be all right.

Commissioner McCrea asked if track repairs have been made in the Tunnel to allow full scale testing.

Mr. Bei replied that the track repair was completed on December 1, 1978, at which time the Muni Metro Task Force was informed that the track could be used.

ITEM NO. 8--Authorizing the General Manager of Public Utilities to negotiate and execute a Professional Services Contract with A. Doyle Reed, Agricultural Economist, in the total amount of \$10,000.

Commissioner Sanger commented that to his knowledge the only person to whom an invitation to bid was sent who is an agricultural economist is Mr. Reed.

Mr. Eugene J. Kelleher stated that the names of the other persons on the list were given to the Labor Department by Mr. George L. Newkirk, Contract Compliance Officer. The Department did request to go out to a consultant, but no parties were interested. Also, the University of California was contacted, but the only response was from Mr. Reed.

Commissioner Sanger said he does not think the Commission is authorized to make an award on a sole source basis. He said he knows of several agricultural economists in the Bay Area and around the State, and asked if they were given an opportunity to bid.

Mr. Kelleher commented that it is not required to go to competitive bidding on \$10,000 or less.

Commissioner Sanger said RFPs should always be sent out in the future.

Commissioner H. Welton Flynn moved that this item be continued to the PUC meeting of January 9, 1979, in order to determine if the invitation to bid was properly circulated to all interested parties. Commissioner Sanger seconded the motion, which was unanimously passed.

Resolution No. 78-0500--Amending Resolution No. 77-0353 to authorize the General Manager of Public Utilities to appoint six (6) representatives of the Public Utilities Commission to serve on the Water Service/Sewer Service Charge Lien Committee, as authorized in the Rules and Regulations.

Commissioner Pilcher asked why the Committee was changed from 3 to 6 representatives.

Mr. Kelleher replied that it may be necessary to have 2 or 3 hearings going on simultaneously, and it will be necessary to have three representatives at each hearing.

Responding to a question from Commissioner Pilcher, Mr. Kelleher stated that 800 accounts have been placed on notice, and 45 percent of those have been paid.

Resolution No. 78-0503--Commending Municipal Railway Operator James C. Daniels for his exemplary service and his demonstrated concern for the citizens of San Francisco.

Mr. Rod Bartholomew reported that on October 12, 1978, Mr. Daniels went to the aid of a lady being attacked by a person intent on robbery and bodily harm. Mr. Daniels was able to abort the attack, and the suspect was apprehended by Mr. Daniels and the Police and is awaiting prosecution.

President Henning stated that the Commission commends Mr. Daniels and thanks him on behalf of the City and County of San Francisco for his brave action.

Resolution No. 78-0504--Requesting the Board of Supervisors to pass legislation for the permanent closing of Duboce Street between Market and Church Streets to westbound thru traffic onto the blocks of Duboce to the west of Church, and providing for no left turns from Duboce into Church (going south); or otherwise providing for the permanent closure of Duboce to traffic moving westbound from Market to Church, continuing the situation which exists.

The original calendar item was authorizing bid call for Contract No. MR-654- M Line, Duboce Avenue-Church Street to Hoe Street. Track Reconstruction, Sidewalk Narrowing and Sewer Enlargement

(Deferred from meeting of December 5, 1978)

Commissioner Sanger commented that he had asked that the item be put over. He said it was put over too quickly, and he objects to approving it at this time for one major reason. This is the only portion of the N line on the surface from the tunnel to Embarcadero Station and therefore subject to traffic interference, and is a critical section. This is the line which will be carrying the largest number of passengers on Muni Metro, and it has to connect with the J Church line.

Over two years ago it was proposed that there be an exclusive right-of-way for Muni, or that Duboce between Market and Church Streets remain closed to west bound traffic. Commissioner Sanger stated he believes the latter is the best solution. It would reduce accidents to children crossing to Duboce Park which is to undergo renovation in the next year. He said he would like to defer Commission approval of the retracking of Duboce Avenue until the Board of Supervisor has approved closure to west bound traffic. He commented that Mr. Curtis E. Green did write a letter to the Director of Public Works indicating Muni's position with respect to traffic interference. The second alternative is to retrack with a raised right-of-way. Commissioner Sanger stated this is the only neighborhood in the City which has gone officially on record supporting a raised right-of-way.

Mr. Wentz commented that Messrs. Bai and Green have indicated that the retracking job might have to be in process while LRVs are operating on the N line. It would be a disturbance but could be accommodated with a crossover. On the other hand, if approval of the various agencies to the closing of Duboce Avenue can be secured, the retracking job could proceed as designed. Re-designing to put in a raised right-of-way will take additional time and will increase the cost.

Commissioner Pilcher commented that this matter was brought to the Commission at the last minute with no opportunity for exploration. She said it is not a very thorough proposal.

Mr. Farrel Schell stated that a temporary crossover would have to be in use for some time.

President Henning asked if an exclusive right-of-way would cause a substantial impact, and Mr. Schell replied, "no".

Mr. Maurice Klebolt, President, CAPTrans suggested it would be better to go ahead with the retracking project and to mark the pavement with diamonds as a preferential street.

Commissioner Sanger commented that a painted stripe would not be enough. He said the simple solution is to close Duboce Avenue to west bound traffic, and all it takes is a piece of legislation from the Board of Supervisors.

Commissioner Pilcher stated that her concern is that the Commission is making decisions with no traffic studies, no public input, and no information regarding conflicting plans which may be before the Board of Supervisors.

Commissioner Sanger stated that there are many alternatives. He said Muni should not go forward with a plan for retracking until there is assurance that the traffic plan is coincident with Muni needs.

President Henning commented that the Board of Supervisors might not pass on this for a year, and it is necessary to give the LRVs "every break in the world".

Commissioner McCrea stated that auto interference will do more damage.

President Henning said streets could be closed off. If the track were in, different barriers could be used.

Commissioner Sanger stated that action was taken at the neighborhood level three years ago, and there have been many last-minute negotiations. He said the neighborhood knows nothing about the retracking project.

Mr. Klebolt commented that CAPTrans was under the impression there would be additional turning track. He said the plans show only one connecting track from the H line to the J line, and there should be two.

Mr. Bei explained that at the time the track was put in on 17th Street BART refused to pay for it. He added that when the cars are underground the only need for surface track would be in the event there is a J line connector. In an all-metro system it would not be needed. The minimum time for special track work is one year, and this special work could not be worked into this contract.

Commissioner McCrea commented that staff knew for three years that this project would come to pass. Now staff is stating that a complex piece of rail can not be built. He said he does not understand the excuse that time has run out.

Mr. Bei explained that design work is done in segments. This is the final segment of retracking, and has only been worked on for the past six months. It is an FAU project rather than an UMTA project. Staff has moved diligently, and now has come to the last segment of the H line.

Commissioner Sanger commented that in order to move ahead it is necessary to notify the Board of Supervisors of street modification necessary to protect Muni. He moved adoption of the resolution as stated above. Commissioner McCrea seconded the motion which was unanimously adopted.

Commissioner Pilcher stated that she voted "aye" with some reservations. She added that construction of the entire area could be delayed for months if not a year.

President Henning directed staff to report back in February or March with a status report.

Resolution No. 78-0506--Approving the extension of the Revised Disciplinary Procedure to February 1, 1979.

Commissioner McCrea commented that statistics for the past two months do not indicate a reverse trend on complaints. He asked how much longer this procedure will be continued on an interim basis.

Commissioner Flynn noted that an extension is being requested because details have not been worked out. He said this would be the last extension.

President Henning directed that the Revised Disciplinary Procedure be calendared for the PUC meeting of February 13, 1979, and that Commission be provided with a report a week prior to that meeting.

Resolution No. 73-0508--Accepting the Preliminary report and approving the Preliminary Design for the Rehabilitation of the Cable Car Barn (Sector I). (Chin and Hensolt)

Mr. Rino Bei explained that Chin and Hensolt have two assignments. One is the design of the rehabilitation of the Cable Car Barn, which UMTA has approved in principle. The second assignment is a systems analysis of the entire cable car system.

Commissioner Sanger asked the minimum amount of time the cable cars will have to be shut down.

Mr. P. Q. Chin of Chin and Hensolt said the cars would have to be shut down from October to April.

Mr. Bei added that if work is commenced next October the cars would be down through April, 1980. There would be partial operation from May to September, and it would take two winters.

Commissioner Sanger asked how the consultant chose number 1 among the three alternatives for the turn table.

Mr. Chin replied that interviews were conducted with cable car personnel and management.

Commissioner Pilcher commented that it appeared that the scheme for three (3) turn tables allowed for free movement of the cars. In scheme number 1 only one car at a time can be dealt with. She asked why 1 turn table would be more advantageous than 3.

Mr. Chin explained that 1 turn table measures 42 feet, and can retrieve a car, load it and move it out. The 3-turn table scheme is more complicated and the turn tables are smaller.

Commissioner Pilcher stated that this is the most readable, understandable report she has seen from a consultant in the relatively short period she has been on the Commission.

Commissioner McCrea commented that the only unresolved question is the detailed timing of when the system is going to be shut down and when it is going to be running during the entire construction period.

Mr. Bei explained that there are three schemes. The first scheme is to work straight through for 18 months. The second scheme is phasing the work in order to work through one winter, partially operate in the summer, and work again during the following winter months. This scheme would cover 19 months, and there does not have to be a complete shut down. A new grant application will be made to rebuild the cable car system. This might be accomplished one line at a time, and would involve approximately a three-year construction period.

Commissioner Sanger asked if there is any way of doing the work faster, and Mr. Chin replied that it is a complex construction project. The construction period could be shortened, but this would involve paying a penalty on construction costs.

Commissioner McCrea suggested that consultant complete Phase II of the report quickly.

Resolution No. 78-0509--Approving modification of the Joint Powers Agreement between the CCSF and BART dated May 14, 1976, to enable BART to perform certain functions for the Municipal Railway related to subway operations and maintenance.

Commissioner McCrea stated he is concerned that Muni is choosing to maintain the electrical/mechanical maintenance. He asked if Muni has any experience in maintaining this type of equipment.

Mr. Green replied that Muni does not have personnel working at maintaining this type of equipment at the present time.

Commissioner McCrea added that he finds it difficult to see how Muni can allow BART to perform plant support maintenance and not give them electrical/mechanical maintenance when Muni has not had any experience in this type of work and BART has.

Mr. Green stated that unless there is a substantial gain to the City it is not worth while. If a contractor does the work, Muni will lose control of the work to be done.

Commissioner McCrea commented that BART is maintaining electrical/mechanical maintenance today.

Commissioner Sanger stated he does not think Muni should or has to give up control.

Commissioner McCrea noted that Mr. Duarte stated that Civil Service under its rules can not obtain employees. He said he feels this situation offsets the other problems.

Commissioner Sanger said this is a matter of negotiation with BART or a private contractor. Either BART ought to be able to save money, or Muni or some private contractor should be able to do it. He said if BART can not do it more cheaply, then perhaps BART could contract with Muni to do the work.

Mr. Merrill R. Cohn, Transit Equipment Engineer, said Muni has discussed the matter with BART and worked out estimates. In addition to the cost of salaries, BART wants Muni to buy equipment for them to perform the electrical maintenance. It would cost \$101,000 plus labor, and Muni would have to purchase BART consumables. Muni would have to pay BART 65 percent more for their services. Muni staff tried to ascertain where it would be more economical for Muni to do the work, and where it would be more economical for BART. In two instances it is more economical for BART, and in certain instances it was ascertained that Muni can hire contractors to do it more cheaply.

Mr. Green noted that there is a possibility that BART may have a strike this summer.

Commissioner McCrea said that judging from the letter from BART, Muni conditions precluded them from bidding on track maintenance.

Mr. Duarte commented that BART was reluctant to take over Muni's running track and running signal system.

Commissioner Sanger asked if BART informed Muni of the manner in which they computed what they were going to charge.

Mr. Duarte replied that BART added overhead, and they would be making money.

Commissioner Pilcher noted that there was a point at which there could have been a totally combined system, but the City chose to be stubborn about it.

Mr. Wentz commented that staff has done everything possible to obtain the "best deal". BART is willing to do the work but is not seeking it. They will do it on their terms.

Mr. Duarte added that Item No. 13 states that before BART would enter an agreement they want a settlement on everything between San Francisco and BART.

Commissioner Pilcher noted that the City owes BART \$500,000, and BART is not inclined to do business with the City based on the past record.

Commissioner McCrea moved adoption of the resolution with the further condition that staff be instructed to solicit bids from outside contractors for structures maintenance and electrical/mechanical maintenance items. Commissioner Sanger seconded the motion, which was unanimously adopted.

Commissioner Sanger added that every year there should be a review of the cost proposed by the contractors. Often this is forgotten and one ends up paying more.

Resolution No. 78-0512--Approving transfer of funds in the amount of \$67,000 to provide for settlement of the claim of I.W. Washington for retroactive wages and interest as per court order.

Commissioner Flynn asked if this is the case where the bus driver lost control of the bus and damaged seven (7) cars.

Mr. McMorris M. Dow, Utilities General Counsel, advised that a judgment will be entered in this amount against the City. He said the case is still in litigation and the judgment has not been signed as yet. The City has an appeal period.

President Henning directed that this matter be taken up in executive session at the close of the meeting.

Resolution No. 78-0510--Approving PUC General Office supplemental appropriation, amount \$5,910.30; Water Department supplemental appropriation, amount \$2,955.15; and Hetchy Water & Power supplemental appropriation, amount \$2,955.15; for the payment of overtime compensation and related retirement contribution to Demosthenes Adams.

Commissioner Pilcher commented that this is the first time she has seen a request for retroactive overtime for someone who is an executive. She asked if this is setting a precedent.

Dr. Christensen explained that during the strike in fiscal year 1975-76, Mr. Demosthenes Adams was called upon to put in extensive hours in the settlement procedures that were carried on during that 30-day period. He built up a considerable period of overtime which, as a "2" employee, he was entitled to receive in compensatory time off. He transferred to the Civil Service Department, where his services were needed so badly that he was unable to use his compensatory time.

The Public Utilities Department, Dr. Christensen said, is in debt for services Mr. Adams provided during those critical periods. He can not be reimbursed by Civil Service for the time he worked for Public Utilities.

President Henning commented that 6 or 7 individuals at Hetch Hetchy and Water Department were reimbursed for overtime during the strike period.

Mr. Wentz added that a Civil Service agenda item has been approved for individuals in different departments. It is a provision for compensating a "Z" identified employee who can not be allowed to take compensatory time off.

Responding to a question from Commissioner McCrea, Dr. Christensen explained that any employee in a management position who has a "Z" by his name is not reimbursed for overtime. All other employees are paid. "Z" employees are entitled to compensatory time off. Many of the managers are unable to take time off. Mr. Adams would have continued to carry compensatory time on his record had he not transferred to another department. Employees are not reimbursed for compensatory time on retirement, but can take compensatory time for vacation or when they are ill.

Commissioner McCrea commented that most employees can not even take this time. This is the case of an employee who left voluntarily to take a promotional position.

Dr. Christensen stated that the transfer was predicated on his being able to carry the hours with him. He was unable to do that. He did work for Public Utilities, and if he were still working for Public Utilities he would have the hours to his credit.

Commissioner Sanger asked if compensation is at straight time rates, and Dr. Christensen stated it is at time and a half rates.

Commissioner Sanger noted that this would encourage people to move around and obtain this compensation.

Commissioner Flynn commented that this is the first case before the PUC, but it is not the first case City-wide.

Dr. Christensen stated that there have been instances in which compensatory time was used for extended sick leave.

Resolution No. 78-0511--Approving budgets for 1979-1980 for submission to the Mayor and Controller for the various operating units under the direction of the Public Utilities Commission.

Mr. Wentz explained that Mr. Rudolf Nothenberg of the Mayor's Office suggested that in order to give the Mayor flexibility all budgets adopted should include whatever recommendations the Commission has. In the case of the Municipal Railway the LRV budget will be considered separately. He said that page by page modifications are consistent with modifications made at the PUC meeting of December 5, 1978.

Commissioner McCrea moved to approve the final add-on budget as the Commission recommendation to the Mayor's Office. Commissioner Pilcher seconded the motion.

Commissioner Sanger requested one amendment on page 26. Ten runs are restored on a 5-day per week basis. He said he would like a statement of modification stating that ten runs will be restored in accordance with PUC policy with first preference given to the restoration of runs on a 5-day work week basis at peak periods.

Commissioner McCrea said the concern is that the Commission did not agree with staff on where the new service is to be allocated, and feels it is the Commission's prerogative to decide where the new runs will be added.

Commissioner Sanger brought up the matter of service to Candlestick Park, on which no action was taken. He said he would like to condition that item on negotiations for financial contributions on the part of the team management in order to finance overtime. Also, he said, there must be some operational allocation.

Mr. Wentz asked if it would be satisfactory to add this condition as a part of the narrative.

Commissioner Sanger directed that staff identify the amount of money going to provide service to Candlestick Park, and make it clear in the narrative.

Mr. Wentz stated that Muni spent \$56,000 more this past year than the preceding year. It costs \$200,000 during a successful season.

Commissioner Sanger stated that Muni should be reimbursed for half of that amount.

President Henning stated that the amended motion is to approve the final add-on budget, and to include deficit sharing of the Muni Candlestick Park service. This amended motion was unanimously passed by the Commission.

On motion of Commissioner Pilcher, seconded by Commissioner Sanger, the LRV budget was unanimously adopted.

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Mr. Wentz explained that the Water Department budget includes approval for an 13 percent water rate increase. He said an 18 percent increase is optimum and justifiable. The Department probably could live for another year at a 7-1/2 or 10 percent increase, but would have to "go around the track again" next year to get back on an optimum maintenance level.

Commissioner McCrea asked what an 13 percent increase amounts to per month for the average household.

Dr. Christensen replied that a 20 percent increase would be equal to about 35 cents per month.

Commissioner Pilcher asked about the sewer service charge, and Mr. Wentz explained that it is related to quantity and not to the rate level.

Commissioner Sanger asked how much of the proposed rate increase is due to reduced consumption.

Dr. Christensen stated that consumption is about 80 percent of that during a normal year, and Mr. Wentz added that water conservation is continuing at a reasonable rate in San Francisco--more so than with the resale customers.

Dr. Christensen said the difference in the individual bill would be miniscule, yet in total it represents whether the Water Department will be a viable system in 15 or 20 years.

Mr. Kelleher said an 18 percent increase would support the program until it would be necessary to increase rates for inflationary needs.

On motion of Commissioner Sanger, seconded by Commissioner McCrea, the Commission unanimously approved the final add-on budget for the Water Department.

THEREUPON THE MEETING ADJOURNED: 4:27 p.m.

At the request of Morris M. Dow, Utilities General Counsel, the Commission retired to executive session.

Romaine A. Smith
SECRETARY

